FINANCING GREATER EQUALITY AND EXCELLENCE IN THE NEWFOUNDLAND SCHOOL SYSTEM

REPORT
OF
TASK FORCE ON EDUCATIONAL FINANCE

MEMBERS

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June, 1989

90-00539/

The Honourable Minister
Dr. P.J. Warren
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Confederation Building, West Block
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Dear Sir:

I am pleased to submit the Report of the Task Force on Educational Finance.

In finalizing this report I tried to keep in mind the tentative decisions reached by the Task Force before the resignation of two of its members in March of this year. Consequently, I hope its main thrust and recommendations reflect the general views of the original membership even though I assume full responsibility for the report.

In submitting this report I would like to record my appreciation to the many organizations, groups and individuals who contributed through their presentations, consultations and advice. Many of them are referred to in various appendices at the end of this report. I would also like to express my appreciation to the Department of Education for its cooperation and assistance throughout the study. I am particularly indebted to Mrs. Pamala Janes and Mr. Kerry Pope for their commitment to the study, and to Mr. Horace Noseworthy for developing computer simulations for the proposed formula. I am also indebted to Dr. C. K. Brown for his valuable advice and assistance in preparing the final draft.

If you find this document useful in your efforts to attain a greater measure of equality and excellence in Newfoundland education, our efforts will be adequately rewarded. I wish you every success in your important undertaking.

Yours sincerely

C. Roebothan

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Chapter 1

INTRODUCTION

The Task Force on Educational Finance was set up to undertake a task outlined in the *Speech fro[illegible]ne Throne (1988).* It stated that ". . . a full review of financing of the operation of our elementary and secondary school system will be undertaken to seek ways to make the system more equitable". *The Budget Speech (1988)* identified a number of factors which caused variations in costs throughout the Province--population density, school size, transportation, special needs of students--and noted that variations in the amount of local tax available caused disparities in the ability of boards to meet the costs. The purpose of the review was "to ensure that our method of financing education is a fair and equitable one, which provides school boards across the Province with sufficient revenues to meet the needs of their students".

The authorities were clearly concerned that the existing system of operational grants did not provide adequately for areas of the province where per pupil costs were higher than average, and that potential for local tax revenue was usually lower in these areas. They were also responding to the contention of most educators that the overall funding for program support was too low for school boards to provide the standard of education required by the Province.

Terms of Reference

The establishment of the Task Force on Educational Finance was announced by the Department of Education in an official news release dated September 16, 1988. The terms of reference were stated as follows:

1. To study the costs of providing programs, excluding teacher salary allocations, and the financial resources available to school districts, and to identify any inequities in the abilities of school districts to provide equitable access to basic educational services.

2. To propose alternative methods of financing school district operational costs that recognize differences in fiscal capacity and costs, and enhance equity in educational opportunities for students.

3. To review provincially mandated education programs and recommend changes in the method of funding and in program administration to improve program and cost effectiveness.

4. To review the adequacy of accountability in the system and to make recommendations to achieve the most effective use of available resources.

Broadly defined, these terms were interpreted to include the following:

1. Study the cost of providing basic educational programs and services throughout the Province.

2. Identify differences in the financial resources available to school districts to provide equitable access to these programs and services.

3. Review the adequacy of accountability in the school finance system.

4. Propose alternative methods of financing school district operational costs that (a) enhance equity in educational opportunities for students, (b) recognize differences in both fiscal capacity and costs, and (c) achieve the most effective use of available resources.

To review the cost of providing basic educational programs and services, the Task Force had to consider what "basic" means in this context. What is considered "basic" has changed over time, as standards of education change. Nor is it the same for all children. Our struggle with that term is documented in Chapter 6, as is our attempt to define equality of educational opportunity.

In addition to problems of equality or equal access, we were also required to address issues of adequacy of funding, local autonomy, and spending efficiency and

accountability. While the Terms of Reference focus on the operational expenditures of school boards, the Task Force soon realized that certain aspects of capital outlay and teacher salary allocations are linked with the provision of educational services. We felt it was necessary to comment on these aspects of financing in order to propose methods that would fulfil term four of the Terms of Reference. Consequently the task became more complex than appeared from the Terms of Reference.

Procedures Used

To fulfil its complex assignment, the Task Force identified a number of activities that should be undertaken, and planned a schedule to be followed. We appointed support staff, conducted preliminary meetings with educational groups and individuals, reviewed related literature, commissioned background papers and research, called for submissions, visited a number of other provinces for discussions with school funding personnel, and held meetings throughout the Province to discuss the briefs submitted.

Preliminary Visits

The first step in the process involved a series of interviews with key personnel of the Provincial Government, with officials of school districts, and with representatives of provincial educational organizations and agencies, seeking their advice and counsel to further define the terms of reference and our methodology. These interviews provided valuable insights into the attitudes and opinions of key participants in the educational process. By helping to identify some of the major problems facing school boards, the interviews ensured that the Task Force was addressing the right questions.

Literature Review

The Task Force spent considerable time assembling and examining related literature, particularly recently conducted provincial reports and studies on school funding. Reports were also assembled from national bodies such as Statistics Canada, the Canadian

Teachers' Federation, the Canadian Education Association, and Council of Ministers of Education. The references included in this Report provides a cross-section of that literature and the reports of relevant studies.

Research

Research projects were undertaken both by the Task Force's own staff and by outside contractors, assisted by our staff. The two major projects undertaken internally were:

1. A study of school-based fundraising

2. A study of interdenominational co-operation

The research projects and background papers undertaken by outside contractors were as follows:

1. An analysis of variations in the cost of (a) administration of school board offices (b) provision of instructional programs (c) operation and maintenance of school buildings.

2. A program support services survey.

3. A paper on the philosophical context of education in this province based on *The Aims of Education in Newfoundland and Labrador.*

4. A poll of public attitudes towards education, conducted jointly for the Task Force on Educational Finance and the Task Force on Mathematics and Science by Research Associates Ltd.

5. A paper on technology in education.

Task Force staff members, with the assistance of personnel from the Department of Education, collected and analyzed a great deal of general data concerning educational expenditures and provincial demographic, economic, and social trends. They were also asked to develop a school finance computer simulation which would enable the Task Force to quickly analyze the impact of a variety of financing proposals on each of the province's school districts.

Visits External to the Province

The Task Force visited four provinces for discussions with school finance officials with Departments of Education, representatives of trustee and teacher associations, and individuals involved in research in school finance. Listed in Appendix A are the names of the organizations consulted during visits to Alberta, Manitoba, New Brunswick, and Nova Scotia.

Task Force members noted with considerable interest the nature of the problems existing in these Provinces. The difficulty of generating a funding system that is sensitive to student needs, local costs, and local ability to pay is certainly one of the major problems being experienced. Various approaches are being used to address this and other problems. A selection of these approaches is documented in a later chapter of this report.

Submissions and Hearings

In October, the Task Force placed a newspaper advertisement outlining the terms of reference and inviting interested individuals to express their views. Then, to ensure that the agencies concerned would be aware of this invitation, the Task Force wrote various provincial educational organizations, all school boards, and the special interest councils and local branches of the Newfoundland Teachers' Association. As the work of the Task Force progressed, a number of individuals were written, inviting them to submit their views and recommendations concerning some of the issues being examined.

The call for submissions and the letters brought forth over 100 briefs of impressive quality and thoroughness (See Appendix B). Several concerns received widespread consideration, particularly the lack of funding for capital outlay and the maintenance of physical plant, to cover the increasing costs of special education programs and to meet the increasing demand for learning resources. The need for additional funding for small school districts and small schools to provide greater equality of educational opportunity was also brought to our attention by individual and groups throughout the Province.

Opportunity was provided for individuals and groups to appear before the Task Force to discuss their submissions. Appendix C provides a list of interventions heard in Clarenville, Gander, Grand Falls, Deer Lake, Corner Brook, Stephenville, St. Anthony, Bay Roberts, Goose Bay/Happy Valley, and Labrador City/Wabush. While no hearings were arranged where the general public were invited to appear and present their views, the hearings with those who prepared briefs provided many individuals and groups with an opportunity to be heard.

Summary

The breadth and depth of these consultations, studies, briefs, and hearings gave the Task Force a most valuable foundation for its deliberations. The facts, figures, ideas, and opinions presented helped the Task Force describe, explain and evaluate the system of operational grants for school boards in Newfoundland and Labrador. We are indebted to the individuals and groups for their efforts in presenting their ideas and suggestions.

Some General Observations

There are a number of beliefs or general observations that should be stated at the beginning of this report. We believe that financing elementary and secondary education is primarily the responsibility of the Provincial Government. Although support

of elementary and secondary education is often shared with school boards, it is primarily the Province which legally and fiscally determines the nature and extent of the program to be offered when it establishes a system of school finance. Therefore, it is also the Province which is confronted with the necessity of determining the extent to which that system meets expected standards, both in terms of adequacy in levels of educational services and in equity among clients.

The Task Force anticipates that the adequacy of educational financing will be a problem for some time. The Province faces tremendous financial problems in school construction and operation and the provision of greater equality of educational opportunity for students with special needs and students in sparsely populated areas. Unless economic conditions improve dramatically in the immediate future, the cost of solving these problems will, for some time, outstrip the capacity of the Province to pay. Consequently, some of the recommendations for increased provincial funding for school board operational costs may have to be implemented over a three-to-five year period.

In terms of equity, it is evident much has been accomplished in this Province. The high proportion of provincial funding in the Province means that we do not have the wide variation in educational dollars available to school boards found in provinces where local contributions are higher. The fact that we have a salary scale for teachers that is negotiated at the provincial level has also helped to avoid such regional variations. We have, in other words, a high level of fiscal or horizontal equity. While this report includes proposals that aim to enhance horizontal equity and to increase overall funding, it focuses more specifically on providing greater vertical equity, that is, underwriting differentials in cost to provide equal access to services. The funding proposals attempt to ensure that grants better reflect such things as local costs, special needs, and sparsity of population, as well as local ability to pay for education. They attempt to make available the additional costs necessary to provide educational programs and services in the sparsely populated districts and small schools equivalent to the educational programs and services in the more densely populated districts and larger schools.

In searching for solutions to the problem of equity, the Task Force has sought for relatively simple, reasonable, and practical approaches that address the current needs of education in the Province. Throughout the Report, financing proposals are designed to meet the needs and be straightforward and intelligible to lay persons as well as experts. In many cases, this meant searching for a compromise between opposing alternatives for middle ground on which to build for these uneasy and uncertain times. At the same time, the proposals incorporate educational sound and financially valid features to enhance their acceptability.

The proposals are intended to address the unique problems of our educational system. While Task Force members found the examination of development elsewhere most interesting and helpful, it was accepted that our needs could not be met by simply adopting funding formulas developed in other jurisdictions. The funding approach in any province must reflect the historical, religious, political, economic, and demographic characteristics of that province.

The Task Force throughout its deliberations acknowledged that educational funding is a means to an end--the provision of the best possible education for every child in the Province. Every child has the right to that education. It also acknowledged the vital importance of individual teachers in the fulfilment of that right. The Task Force agrees with Sheena Hanley, who in her presidential address to the 1988 Annual General Meeting of the Canadian Teachers' Federation in Vancouver said: "of all our policies, the right of every child to an excellent, publicly funded education, where teachers are seen not as unit costs but as catalysts, as educators who help move children forward to take their rightful place in a tolerant, peaceful and just society must be at the centre of our actions."

Chapter 2

THE CHANGING CONTEXT OF EDUCATION

A number of factors have shaped and continue to shape the nature of Newfoundland education. These factors are discussed under the following headings: demographic, economic, political, social, and technological. While each of these developments is considered separately, of course in practice they interact. Together, they provide a context for this review of school finance.

The report by necessity discusses these complex factors only briefly and gives a concise list of implications. The more pertinent of these implications are given further attention in appropriate sections of the Report.

Demographic Changes

Trends in vital statistics for Newfoundland and Labrador are widely known and well-documented, but will be reviewed briefly in this section.

The total population of the Province increased from 361,416 in 1951 to 568,400 in 1986, an increase of 57.3 percent. In the early years of that period, the annual rate of increase was substantially higher than later, due largely to a high birth rate. The actual number of births peaked at 15,591 in 1961, when our birth rate per 1000 population was 34.1. Since then, the rate has dropped to an estimated 13 in 1988, and projections are that it will drop even further in the near future.

During the 1950's and 1960's the birth rates in Newfoundland were more than 30 percent higher than those for the rest of Canada. By 1986, the difference had declined to less than one percent (*Educational Perspectives*, p.6). While the Province experienced periods of net outmigration during this period, school enrolments increased dramatically. As Table 2-1 below demonstrates, the number of students attending school increased from 83,698 in 1951 to 162,818 in 1971, an increase of more than 94 percent.

Table 2-1

Student Enrolments and Teacher Population in Newfoundland and Labrador for Selected Years

YEAR	ENROLMENTS	TEACHERS
1951	83,698	2,585
1956	108,108	3,368
1961	133,747	4,502
1966	148,352	5,644
1971	162,818	6,648
1976	157,682	7,694*
1981	145,185	7,777*
1986	139,378	8,059*

Source: Department of Education, except information from Statistics Canada indicated by asterisk.

Dr. Wilfred Brown of the Canadian Teachers' Federation has provided an analysis of the changing age structure of the population for the Atlantic Provinces and Canada as a whole, from 1961 to 2006. In 1961, the proportion of the Newfoundland population under 20 years of age was higher than that of any other Atlantic province, although all of them above the Canadian average. Comparable figures for 1981 show that Newfoundland has dropped but is still in the same relative position. While the proportion for Newfoundland continues to drop in the projections, the province is expected to continue to have the highest youth dependency ratio in Canada (Table 2-2). Newfoundland's relative education need, calculated by comparing school age population with total provincial population, has also been, and will continue for some time to be, the highest in Canada. Further data concerning the percentage distribution and median age of the population for selected years are contained in Table 2-3. This shows that in spite of the relatively high proportion of school age children, the population of the Province is aging rather quickly.

Table 2-2

Youth Age Component of Population Atlantic Provinces and Canada Selected Years Percentages

Population by Province	1961	1981	2001[P]
0-19 Years			
Newfoundland	51.4	40.6	29.5
Prince Edward Island	44.6	35.4	27.0
Nova Scotia	43.5	33.5	25.0
New Brunswick	47.0	35.3	25.6
CANADA	41.8	32.0	26.5

[P] Projection

Source: Brown, W.J. (1988)

Table 2-3

Percentage Distribution of the Population and Median Age for Newfoundland 1961 - 1986

Age Group	1961	1971	1981	1986
0-4 (Preschool)	14.8	11.8	8.7	7.6
5-19 (School Age)	36.6	36.9	31.9	28.5
20-34 (Early Working Age)	18.0	20.5	25.6	25.8
35-54 (Late Working Age)	19.3	18.0	18.9	22.1
55+ (Senior Years)	11.3	12.8	14.8	16.0
Actual (000's)	457.9	522.1	567.7	568.4
Median Age	19.1	20.7	25.2	27.9

Source: Census of Canada

It should be noted that Newfoundland has experienced considerable out migration of its population. As was demonstrated in *Trends in Education (1986)*, a

publication of the Department of Education, for many of the past twenty years or so, the Province has experienced a net loss of both children and adults (Table 2-4). The extent of future migration will be determined by developments such as offshore oil and the proposed NATO Base for Goose Bay.

Table 2-4

Net Interprovincial Migration of Children and Adults 1966 - 1985

YEAR[1]	NET MIGRANTS[1]		YEAR[1]	NET MIGRANTS[2]	
	Children Only	All Citizens		Children Only	All Citizens
1966	-2465	-4539	1976	+210	+592
1967	-2052	-4435	1977	-907	-4149
1968	-1435	-2193	1978	-1181	-4311
1969	-949	-1278	1979	-912	-3374
1970	-3445	-7734	1980	-614	-3597
1971	-1795	-3704	1981	-803	-3552
1972	-257	+910	1982	-1606	-5693
1973	-886	-537	1983	+220	+1829
1974	-871	-3316	1984	-845	-2444
1975	+236	+495	1985	-971	-3543

[1] The data are compiled for years from July 1 to June 30; thus, 1966 refers to 1965-66.
[2] A negative sign (-) refers to net out migration while a positive sign (+) refers to net in migration.

Source: Statistics Canada, as reported in Trends in Education (1986, p. 12).

Another demographic factor that has had a major impact on the provision of quality education for all students in Newfoundland and Labrador is population sparsity. Even with increasing urbanization, the Province still has a large number of small communities. Table 2-5 demonstrates that the proportion of population in communities of less than 5000 people has decreased from 81.7 percent in 1951 to 59.9 percent in 1986.

Table 2-5

Urban/Rural Distribution of the Population Based on Communities 5000 and Over for 1951, 1961, 1971, 1981 and 1986

Destination	1951 Total (000's)	1951 %	1961 Total (000's)	1961 %	1971 Total (000's)	1971 %	1981 Total (000's)	1981 %	1986 Total (000's)	1986 %
Urban	66.2	18.3	120.7	26.4	170.4	32.6	225.1	39.6	227,690	40.1
Rural	295.3	81.7	337.1	73.6	351.7	67.4	342.6	60.4	340,659	59.9
Total	361.4	100.0	457.9	100.0	522.1	100.0	567.7	100.0	568,349	100.0

Note: 1981 list of communities includes: Channel-Port aux Basques, Conception Bay South, Corner Brook, Gander, Grand Falls, Happy Valley-Goose Bay, Labrador City, Marystown, Mount Pearl, Stephenville, Windsor, and St. John's.

Source: Census of Canada

While about half of our population, then, is concentrated in 10 or 15 cities and towns, the remainder is scattered throughout 500-600 small communities (*Educational Perspectives, p. 6).* The cost of providing services for such communities is very high.

Although small denominational schools may exist in larger communities, the number of small schools in the Province is a good indication of the sparsity of population, although two or more denominational schools may exist in the same community. Table 2-6 shows that there are 555 schools in the Province, 149 with fewer than 100 students, 235 with 100-299, 113 with 300-499, and 58 with 500 or more students. In other words, only 10.5 percent of our schools have 500 or more students, even with the consolidation that has taken place. Assuming that little further consolidation will take place within the denominational system, we can expect the size of schools to decline even further in the future. The costs of financing quality programs, particularly at the high school level, will therefore increase substantially in the future.

Table 2-6

Schools by Size, Newfoundland 1988-89

Schools	Number of Schools	Percentage of Schools
Elementary[1]		
Less than 100 pupils	80	14.4
100 - 299	96	17.3
300 - 499	30	5.4
500 or more	14	2.5
Total	220	39.6
Junior High[2]		
Less than 100 pupils	2	0.4
100 - 299	6	1.1
300 - 499	2	0.4
500 or more	6	1.1
Total	16	3.0
High School[3]		
Less than 100 pupils	8	1.4
100 - 299	55	9.9
300 - 499	33	5.9
500 or more	22	4.0
Total	118	21.2
All Grade[4]		
Less than 100 pupils	58	10.5
100 - 299	78	14.1
300 - 499	48	8.6
500 or more	16	2.9
Total	200	36.1
Total All Schools		
Less than 100 pupils	149	26.8
100 - 299	235	42.3
300 - 499	113	20.4
500 or more	58	10.5
TOTAL	555	100.0

[1] K-9 or portion.
[2] 7-9 or portion.
[3] 7-Level III or portion of Jr. High and Sr. High.
[4] K-Level III or portion of Elem. and Sec.

Note: 1-4 does not include the Salvation Army Youth Centre which offers Special Education only.

Source: Evaluation and Research Division, Dept.of Education.

As noted above the Province has a total of 555 schools in 1988-89. Of these, 58.4 percent are Integrated, 32.6 percent are Roman Catholic, 7.7 percent are Pentecostal, and 1.3 percent are Seventh Day Adventist. In addition, there are 4 other schools which are classified as private, native, or institutional. Table 2-7 indicates the size of school by denomination.

Table 2-7

Size of School by Denomination
1988 - 89 Percentages

	Integrated	Roman Catholic	Pentecostal Assemblies	Seventh Day Adventist
Less than 100 pupils	16.6	5.8	3.4	1.1
100 - 299 pupils	24.5	14.6	3.0	0.2
300 - 499 pupils	12.3	7.0	1.1	0.0
500 or more pupils	5.0	5.2	0.2	0.0
Total	58.4	32.6	7.7	1.3

Source: Evaluation and Research Division, Department of Education

Table 2-8 contains data concerning the religious affiliation of the total population for the Province for selected years. In 1951, the Roman Catholic denomination represented about one-third of the population, the Anglicans 30.2 percent, the United Church 23.7 percent, the Salvation Army 7.8 percent, the Pentecostal Assemblies 3.1 percent, and the Seventh Day Adventist 0.1 percent. "Others", including those with no religious affiliation, represented 1.5 percent. While there are some changes over the past 20 years, the major implications were for the Pentecostal Assemblies whose school population more than doubled, requiring them to provide additional facilities at a much higher rate than the other denominations.

Table 2-8

Religious Affiliation in Newfoundland and Labrador for Selected Years Percentages

Religion	1951	1961	1971	1981
Roman Catholic	33.6	35.7	36.6	36.3
Anglican	30.2	28.5	27.7	27.2
United Church	23.7	21.4	19.5	18.6
Salvation Army	7.8	7.9	7.9	8.0
Pentecostal Assemblies	3.1	4.5	5.5	6.6
Seventh Day Adventist	0.1	0.1	0.1	0.1
Other Religion	1.5	1.8	2.3	2.1
No Rel. Preference	0.0	n/a	0.4	1.0
TOTAL	100.0	100.0	100.0	100.0

Source: Newfoundland Statistics Agency

There have been a number of projections of school enrolments for the next decade. Table 2-9 contains one of these projections, provided by the Division of Evaluation and Research of the Department of Education. The most likely scenario is that total enrolments for the Province will continue to decline annually, reaching 114,343 in the year 1995.

Table 2-9

Enrolment Projections for Newfoundland and Labrador to 1999

Year	Enrolment
1989 - 1990	129,965
1990 - 1991	127,051
1991 - 1992	124,226
1992 - 1993	121,567
1993 - 1994	118,963
1994 - 1995	116,686
1995 - 1996	114,343

Source: Trends in Education, 1986

Economic Developments

The Task Force has heard a great deal about the need to examine the financial ability of Newfoundland and Labrador to finance quality education for all students. One of the best known measures of that ability is personal income, or the money received by all individuals in the Province. In addition to returns from the various factors of production (labour income), personal income includes investment income and such transfer payments as unemployment insurance benefits, social assistance, family allowances, pensions, and old age security payments. The amount of tax revenue available to government for expenditure on public goods such as education, health, social services, and transportation is influenced by both the level of personal income and its distribution, among individuals and regions.

Table 2-10 demonstrates the growth of per capita personal income for Newfoundland and other Provinces since 1970. At the beginning of this period, Newfoundland had the lowest level, at 63 percent of the Canadian average. In 1975, it was 67 percent. Since then, however, the relative position of the Province has remained the same, although the dollar increase has been substantial. The current dollar increase over the period was 173.5 percent and the constant dollar increase 15.8 percent (Table 2-11). Although the ability of the Province to fund education increased on real terms over the period, its ability in relationship to the other provinces showed no improvement.

The Report, from time to time, will attempt to represent expenditure increases in terms of constant dollars. To do this, the CPI is used to deflate current doliar figures so that changes in purchasing power are clearly identified.

Data concerning employment and unemployment are well known in Newfoundland and Labrador. The following statements provide a summary of developments in these areas in recent years:

1. There has been a slight increase in employment over the recent past.

Table 2-10

Financial Ability of Canadian Provinces as Measured by Personal Income Per Capita of the Population

Province	1970	1975	1980	1985	1986
Newfoundland	$2,012	$4,184	$6,943	$10,649	$11,379
Prince Edward Island	2,118	4,094	7,138	11,087	11,977
Nova Scotia	2,409	4,743	7,858	12,836	13,726
New Brunswick	2,276	4,526	7,394	11,908	12,699
Quebec	2,869	5,630	9,939	15,096	15,927
Ontario	3,810	6,751	11,016	17,557	18,740
Manitoba	2,950	5,640	8,984	14,882	15,690
Saskatchewan	2,298	6,087	8,948	14,169	15,596
Alberta 3,117	6,223	11,531	17,012	17,672	
British Columbia	3,448	6,632	11,649	16,214	16,797
CANADA	3,203	6,106	10,352	15,958	16,901
	Lowest Province as a Percentage of the National Average				
	62.8% (Nfld.)	67.0% (P.E.I.)	67.1% (Nfld.)	66.7% (Nfld.)	67.3% (Nfld.)
	Highest Province as a Percentage of the National Average				
	119.0% (Ont.)	110.6% (Ont.)	112.5% (B.C.)	110.0% (Ont.)	110.9% (Ont.)

Source: Statistics Canada, Consolidated Government Finance, relevant years.
Statistics Canada, unpublished information.

Table 2-11

Per Capita Personal Income Newfoundland and Labrador, 1970-1987

Year	Current Dollars	Constant Dollars
1970	2,012	4,907
1975	4,184	7,152
1980	6,943	7,810
1985	10,648	8,371
1986	10,751	8,120
1987	11,445	8,281
1970 - 1987 Increase	468.8 Percent	68.8 Percent

Source: Statistics Canada, Consolidated Government Finance, relevant years.
Statistics Canada, Unpublished information.

2. There has been a rather significant increase in the labour force itself in recent years.

3. While there has been some improvement in the provincial unemployment rate, changes have been erratic. In 1986, 20 percent of the Province's labour force was employed.

4. There has been a shift in the division of the labour force between males and females. In 1979, males accounted for about 66 percent of the labour force and females for about 34 percent: the comparable figures for 1986 were 60 percent for males and 40 percent for females. With the increasing female participation in the labour force, the need for more day-care or early childhood education will increase.

5. While the unemployment rate for different age groups varies, the highest unemployment rates have occurred in the 15-19 and 20-24 year age group. Many persons from these age groups have also left the Province to seek employment elsewhere in Canada, particularly in Ontario.

6. There are major differences in the unemployment rate across the Province with the St. John's region having the lowest.

In summary, it may be stated that the ability to finance education in Newfoundland and Labrador remains relatively low. This is no doubt one reason for the urgent requests for more funding, particularly capital needs. Another appears to be the difficult financial circumstances of school boards resulting from the effort made to accommodate the rapidly increasing school population of the 1950's and 1960's. Even though student enrolments in the Province have decreased since 1971-72, the funding made available for educational facilities and student services has not been adequate to address the problems resulting from rapid student enrolments earlier on. The only exceptions to

this generalization appear to be teachers' salaries, which have been supported by aggressive collective bargaining, and bus transportation, which is given by necessity.

Political Developments

As discussed earlier, the demographic picture of this Province has changed significantly in recent years. We have experienced an aging of our population, creating new demands for services. Unless our economy flourishes to produce new tax revenues, new demands for health care and social services will further increase the competition for the public dollar. With an aging population there is a smaller percentage of the population with children in school and consequently a proportionately smaller group who are in direct contact with the schools, and generally in support of improved resources for the education system.

The trends in provincial budgetary allocations for the past several years are displayed in Table 2-12. In this table education includes elementary, secondary and post-secondary expenditures. From 1979-80 to 1987-88, the proportion of provincial current account expenditure devoted to education declined from 27 percent to 23.2 percent, while health expenditures increased from 20.9 to 22.5 percent. The proportions devoted to debt charges and social services also increased over the period.

The possibility of decreasing public support for education led the Task Force to test public opinion concerning spending priorities in its opinion poll. The public was asked which of a number of services was most neglected at this time. The results of that question are presented in Table 2-13. At a time when educators believe the school system is seriously underfunded, it is interesting to find that health care was considered the most neglected area by over one-third of the respondents, compared with just over one-fifth for education.

Table 2-12

Percentage Comparison of Current Account Expenditure 1979 - 1987

Year	1979-1980	1983-1984	1987-1988	1988-1989[1]
Education	27.2	24.7	23.7	23.2
Health	20.9	23.8	22.2	22.5
Debt Charges	16.3	16.4	18.2	17.9
Social Welfare	10.5	11.2	12.0	11.8
Other[2]	25.1	23.8	23.9	24.6

[1] Estimates
[2] Other includes General Government, Protection to Persons and Property, Transportation and Communications, Natural Resources, Agriculture, Travel, Industry and Tourism.

Source: Newfoundland Statistics Agency

Table 2-13

Public Views Concerning Most Neglected Service

Service	Percentage
Health Care	34.8
Social Services	25.4
Education	21.4
Resource Management	6.4
Administration of Justice	5.8

Source: Task Force on Mathematics and Science Education and Task Force on Educational Finance Public Opinion Survey (1988)

On the other hand respondents demonstrated a greater degree of confidence in schools than any other institution, including medical professionals, churches, and the courts. When asked to give grades of A, B, C, D,. and F (fail) to a number of aspects of education, they gave a high level of approval, particularly to the quality of teaching and the curriculum (Table 2-14).

Table 2-14

Public Opinion Concerning the Grading of Selected Aspects of Education Percentages

Aspect	A	B	C	D	E
Quality of Teaching	23.7	52.0	17.5	2.7	1.5
Quality of Curriculum	23.1	51.0	18.4	2.5	1.3
Quality of Discipline	15.3	36.5	26.7	10.8	7.9
Preparing Students for Jobs	13.0	28.5	32.6	12.3	10.4
Standards of Work Demanded by Students	14.3	44.3	29.0	6.1	2.8
Preparing Students for Colleges and Universities	19.0	38.2	23.7	9.9	6.1

Source: Public Opinion Survey (1988)

There are other political factors at work which have contributed to the questioning of the priority of education, something that was lacking in the 1960's and 1970's. These were the golden years of educational development. These were the years of growth, optimism, and change in Newfoundland Education. As noted earlier, the number of children rose at a rapid rate. Many new schools and many new teachers were needed for this reason alone. Teacher qualifications improved dramatically and new curriculum programs and instructional techniques were tried. Small schools were consolidated and expanded educational facilities provided.

These developments could not have taken place without widespread support from the public. People saw education as being vitally important in terms of individual and societal growth. Governments felt that they could win votes and develop the economy by educational expansion, and their policies were supported by the leaders of business and industry. Therefore, educational expenditures continued to rise.

It now appears, however, that education stands somewhat on the defensive. Doubts are being expressed as to whether its benefits are outweighed by its costs and burdens: whether or not it is as good an investment as it was. Some say that schools have watered down standards and lost control of students. These claims have helped to create uncertainty about the future of education and how it is to be financed.

Associated with the general questioning of the value of education are demands for higher standards in education. There have been charges of mediocrity in schools (as evidenced by low achievement scores), and demands for more testing and more "old-fashioned" discipline. While educators have not been inclined to respond to these charges, it has been agreed that new ways must be sought to increase the efficiency of delivering educational services. A number of efficiency-related issues, including long-term planning, program evaluation, strategies and structures for assessing school effectiveness, the increased use of technology, and increased school board and school sharing, will be discussed later in this Report as a means of improving educational output.

The right of all children to an education, including those with disabilities, has been recognized throughout Canada. In a number of provinces, this right has been specified in legislation. In other provinces, the *Charter of Rights and Freedoms,* particularly Section 15, is being used as an instrument for the enforcement of this right.

The number of students enroled in special education programs has grown substantially in Newfoundland and Labrador. The types of services now provided, in addition to regular special education programs, include programs for trainable mentally retarded students, behaviourally disturbed students, hearing impaired students, visually impaired students, and multi-handicapped students. In addition, support services are provided in the form of educational psychologists and speech/language pathologists. The move towards providing all such students with the most appropriate education, often in regular classes, is demanding more and better services. New policy initiatives for gifted students are also being promoted.

Estimates of the cost of providing an appropriate education for all students with special needs are high. The costs of serving children whose disabilities have been described as "low incidence" ones are of special concern because they result in enormous costs for districts in which the children reside.

The enactment of the *Charter Rights and Freedoms* and Section 36(2) of *The Constitution Act, 1982,* describing the right of all Canadians to reasonably comparable levels of public services with reasonably comparable tax burdens, have increased the tendency of educators to focus on interprovincial differences in educational opportunity. In several recent reports, particularly by the Newfoundland Teachers' Association, the need to increase educational spending in Newfoundland and Labrador at least to match the Canadian average has been recommended. Various briefs submitted to the Task Force addressed this issue. The implications of the Charter for education seems to be a worthwhile area of investigation.

The provisions of the Charter regarding equality may also be used to address the educational rights of other groups such as native students and other minority groups.

Other political developments that have implications for future school board expenditures include the following:

1. The long-standing opposition to local taxation for education and other community services in Newfoundland and Labrador.

2. The demand for more French language instruction, including French Immersion, in provinces such as this one.

3. The tendency of the provincial government to decentralize more decision-making to the school board level.

Social Developments

In recent years, a great deal has been written regarding the changing nature of the family. The number of traditional "husband-wife" families with children at home has declined. Stager (85, p.274) points out that an increasing proportion of the Ontario population is living in families without children, in single-parent families, or not living with

or in a family. He also claims that the increased employment of females, and decreased dependence on children to supplement family incomes, has meant a shift in the role of the family from an economic unit to a recreational one, adding that individuals form and maintain family units not so much for economic support, as for emotional and psychological support and recreational activity. No doubt these changes are also occurring within this Province's school systems and teachers are expected to be aware of these changes and to assist children having difficulty in coping with them.

There has also been considerable discussion of the increase in crime in our society, with implications for education. Schools are expected to be prepared to deal with students who are involved in violence or vandalism, or who use alcohol and other drugs. Like the changing nature of the family, this development has implications for the kinds of specialist services that should be available in education.

Another social concern relates to the perception that both personal and public morality have declined dramatically in recent years. We hear a great deal about the collapse of traditional values such as honesty, work, loyalty, and concern for the common good, and the emphasis on individual pleasure and gratification. We hear about the destruction of our environment. Increasingly, Canadians expect the school, as well as the community at large, to examine these developments and consider the implications. In education, there are demands for a new approach to religious and moral education.

Technological Developments

Technological change is attracting a great deal of attention and publicity today. It has had a dramatic impact on industrial development, space, travel, telecommunications, health care, and, indeed, every aspect of society. In education, we have been placed under tremendous pressure to meet the demands of this development.

We have been told that new information technologies such as computers, audio-visual equipment, and telecommunication networks, integrated with current teaching

methods, have the potential to improve the quality of education for all students in our classrooms, and to enhance equality of educational opportunity throughout the Province. Electronic networks are suggested as an exciting and powerful tool for improving the delivery of school programs and services, particularly to students in smaller schools. This is the type of development which will challenge the Province and it's financial resources in the years to come.

Selected Implications

There are a number of general implications of the developments mentioned above for school funding that should be noted. Some of these will be discussed more fully when specific recommendations are being formulated later in this report. These implications include the following:

1. The rapid increase in school population in the two or three decades following Confederation and the geographical distribution of that population continue to create a heavy educational burden for Newfoundland and Labrador. The "snowballing" of demands for such things as school construction, somewhat unfulfilled because of limited resources, has created major funding problems for education in the Province.

2. There are pressing demands for the schools to provide enhanced programs and services for all students, from the most severely handicapped to the most gifted. Increasingly, programs for special needs students will be legally mandated and a school district no choice but to provide such programs, as expensive as they are. Society has recognized its responsibility to provide a free and appropriate education for children with special needs, programs that are more costly than regular programs.

3. The increasing labour force participation by mothers with young children will increase pressure for more money for day-care services and early childhood education.

4. Because of the history of local taxation in Newfoundland and Labrador and the politics surrounding the school tax, the Provincial Government can be expected to continue to contribute a very high proportion of the cost of elementary and secondary education.

5. With an increasing demand for more funds for education, there will be an increasing concern about the efficiency and accountability of the educational system. More demands will be made for such things as the evaluation of teacher performance and student evaluation, for greater energy conservation, more sharing of educational resources and facilities, and more cost-benefit analyses.

6. The emphasis on educational outputs will require a clearer statement of educational objectives, particularly those that may be identified as "measurable". This matter will be further addressed in Chapter 6.

7. More emphasis will be given to personal, psychological educational, and occupational counselling as students face a difficult and uncertain future.

8. The teaching of moral and religious values will continue as a priority in education. Schools will be encouraged to look for better ways of developing spiritual and moral values as guideposts for decisions that young people make. In addition to better curriculum programs in this area, the rules of conduct and discipline adopted and enforced in a school, and the models of excellence and humanity provided by teachers, will be judged to be powerful influences.

9. Technological developments in the society generally will influence the role of emergent information technologies in the teaching-learning process. A child familiar with computers is likely to expect that the place of new technology as an aid to learning become more prominent.

10. The Province may have to look increasingly to the Federal Government to ensure that greater equality of educational opportunity is provided with the Province and, indeed, within the context of the country as a whole.

Chapter 3

PRINCIPLES AND PRACTICE IN SCHOOL FINANCE

Emerging Trends in Educational Finance

There are at least six principles commonly recognized in the educational finance literature as the standards against which educational finance plans ought to be assessed. These are as follows:

1. Every student in a province should have access to quality educational programs and services that reasonably respond to his or her individual needs, regardless of that student's interests and abilities, regardless of where that student lives, regardless of that student's cultural and socio-economic environment.

2. Every school board in a province should have access to sufficient revenues to provide quality educational programs and services that meets the needs of its students.

3. The plan of financial support should ensure reasonable equity for all taxpayers.

4. Within general provincial guidelines, the financing plan should provide maximum opportunity and encouragement for the development and exercise of local autonomy and leadership in education.

5. The financial provisions of a grant system should encourage sound and efficient organization, administration, and operation of local school districts and schools.

6. The financing plan should emphasize continuous evaluation, long-range planning, and overall accountability for the expenditure of public funds.

These principles are often cited as the hallmarks of excellence in school finance: as the keys that unlock the door to equal educational opportunity for all students. In this Chapter, we will discuss these and identify a sample of emerging developments across Canada aimed at achieving them. This will be done using the following four headings: equity, autonomy, efficiency, and adequacy.

Equity

Perhaps the most significant development in education over the past decade has been the increase in our commitment to providing equity in education. Lawton (1987, p.109) claims that equity remains the paramount issue that attracts public interest and support. He suggests that the underdog has a special position in our hearts, and it seems unfair for one child, because of chance, to have access to a better public education than another.

One problem with equity is that of definition. Perhaps, a discussion of the two views of equity--horizontal and vertical--would be helpful.

Horizontal Equity

According to this view of equity, the quality of educational services available in any community should not depend on the wealth of that community - whether the community has residents with high property values or whether it has a paper mill or a shopping center. This is the concept of "wealth neutrality". Wealth neutrality implies that if there is a difference in per pupil expenditure on education, such differences should be the result of the wishes of the electorate in a district and not due to differences in local tax bases or per pupil assessments. Atherton (1985) has the following comment concerning this approach:

In the horizontal approach to the attainment of educational opportunity, the emphasis is placed on equality in the provision of inputs. It assumes by providing each student or group of students with the same quantity of fiscal resources all students will be guaranteed an equal educational opportunity.

Various means have been used to adjust for variations in local ability to finance education. One is the traditional foundation program concept which provides equal access to a prescribed minimum offering. The province provides each school district with the difference between the cost of a certain program and the amount of funds that can be raised by the district through a uniform tax rate.

Another development which enhances horizontal equity is full or nearly full provincial funding. Today, a high percentage of the cost of elementary and secondary education is provided by the provincial government in Newfoundland, Prince Edward Island, New Brunswick, Nova Scotia, and Quebec. Therefore, extreme variations in educational revenue that result from extreme variations in local wealth do not exist.

For some time now, the property tax has been used as a source of provincial revenues in New Brunswick and Prince Edward Island. This was advanced as a move towards fiscal equalization. In British Columbia, the provincial government has exclusive access to the non-residential tax as a source of educational revenues. In Manitoba and Alberta, both provincial governments and local school districts impose a commercial property tax. In the current debate concerning the pooling of this tax, the following arguments are advanced:

1. The growth in business and industry in a province is not uniformly distributed. Therefore, there are wide variations in wealth among school districts.

2. Under full provincial control of the non-residential tax, rates would be equitable throughout the province, providing some incentive for businesses and industries to locate in a wider range of areas. Differences in tax rates

between adjacent school jurisdictions may affect the location of businesses and distort efficient location patterns.

3. School boards retain a degree of local autonomy through use of the residential property tax.

Arguments used against the provincial pooling of commercial assessments include the following:

1. Wealthier school districts that have their tax base reduced have no guarantee that they will be adequately compensated, and may have to reduce services.

2 This move would erode local autonomy and make school boards less accountable to their local communities.

3. There is no guarantee that all the money so collected by the province will in the future be dedicated for education.

4. Some local businesses may wish to continue to be local partners with school boards by making direct contributions to education through local taxes.

5. Businesses could lobby strongly against the commercial tax levy and the government of the day could react by reducing taxation in this area.

6. Local districts would be losing a tax that is very easy to collect, compared with the residential property tax.

The debate concerning commercial tax pooling was particularly heated in Alberta in 1987 when the Department of Education issued a discussion paper entitled "Equity in Education Financing." One of the options proposed was the move from partial to full non-residential tax revenue sharing. This option was rejected, primarily as a result

of stiff opposition from a number of jurisdictions that feared a loss of revenue and a threat to local autonomy.

The recent Sullivan Report in British Columbia (1988) recommended that the Ministry should continue to collect revenue from the non-residential property tax. The Report argued that this tax base should be considered a provincial resource, not a local one, and that it should be used to equalize access to revenue so that greater equality of educational opportunity could be provided throughout the Province. The Commission concluded that local taxation of residential property only was sufficient to guarantee that the link between local preferences and the political decision-making process of taxing and spending for school purposes was maintained.

Vertical Equity

Critics of the horizontal equity approach believe that pupils are unequal as they enter school: they come from different backgrounds and have different levels of ability when they register. The vertical approach requires that pupils who have different needs should be treated differently: that unequals should be treated unequally. Support for this approach has been reflected in initiatives to address the needs of exceptional and special needs children, various cultural programs, classes for new Canadians, second language programs, and so on. Atherton (1985) argues that:

> In the vertical approach to the attainment of educational opportunity the emphasis is shifted to the output side. Whereas the assumption in the horizontal approach is that needs are the same, the assumptions of the vertical equity approach are that needs are different. The vertical approach entails the view that because needs are different, different amount of money are necessary to provide equal opportunities to learn and to provide equality of educational outputs.

Because the vertical approach assumes that the cost per student of different educational programs varies widely, appropriate cost differentials must be provided in the

school finance program. The calculation of these differentials may be a very complex process. Questions must be answered concerning the nature of the programs required for these students, and the costs of these programs.

Estimates are often made of the extra cost of providing equivalent programs and services in sparsely populated areas and in small districts. Larger school districts and schools have economies of scale not possible in smaller ones. Elaborate systems of weightings are employed in some provinces to compensate for these differences, while in others categorical grants are provided to cover extra costs.

Manitoba is now in the process of considering the resource cost model approach (RCM) to school funding, adopted by British Columbia in the early 1980s. According to Lawton (1987, pp. 46-48), this approach contains three basic elements: (1) program and service specifications from the provincial level, (2) student enrolment patterns from the school board level, and (3) resource price and cost data from a cost of education index analysis. Funding levels for particular programs are based on the price of various educational inputs at the local level and the amount of these inputs needed to provide a specified level of service. In British Columbia, the fiscal framework uses a combination of provincially established standards called "service levels" and provincially acceptable costs called "cost factors" to establish the financial framework within which every districts budget must fit. The province has seven major expenditure categories, and a large number of sub-categories. The difficulty of dividing an educational system into such categories and sub-categories, and then costing each, is one of the problems of the RCM approach, as is the tendency for this method of funding education to centralize power at the provincial level.

School finance specialists suggest that Canadian policy-makers generally have done a better job in the attainment of equity goals than policy-makers in the United States. Lawton (1979) argues that Canada has tended to be more socialistic in political philosophy and has funded its schools on that principle. He notes that greater equity has been achieved in this Country without much litigation.

We all know that the constitutionality of unequal opportunity has not yet been tested in Canada as it has been in the United States. But that might change because the new Canadian Charter of Rights and Freedoms has much stronger language in it regarding egalitarian goals than does the American Constitution. Section 15 of the Charter may intensify the demand for vertical equity, particularly for students with special needs. This has already started in some provinces.

Autonomy

Local autonomy has been a long-standing principle of school finance. The need to preserve some measure of autonomy so that local school authorities are best able to establish local priorities and meet local needs is well supported in the literature. The move to increase provincial funding in order to provide greater equity has often been judged to be somewhat incompatible with local autonomy.

The nature of provincial grants, as well as the amount, may affect local autonomy. Grants may be either global or categorical. A global grant allocates funds to school boards with minimal specifications as to its expenditure. It allows for maximum local flexibility. Categorical grants, on the other hand, are offered for selected purposes. They may represent the priorities of the government of the day, or they may be provided in recognition of the higher costs in delivering some programs. They may also serve as "seed money" in achieving certain specific objectives.

Criticisms have been raised concerning categorical grants. Once a program has been started as a result of a special purpose grant, school boards may have to continue that program even after the funding has been terminated, or continue it at costs exceeding the amounts provided by the grant. Pressure groups lobby to ensure that the funds allocated for a particular program are spent for that program.

The tendency in recent years has been for grant systems to be less prescriptive. This has resulted from a reduction in the number of categorical grants and an increase in global or general ones in many provinces.

One caution concerning the move to more general grants has been voiced. The desire by some provincial governments to distance themselves from politically unpopular choices concerning the use of scarce resources for education has been seen by some observers as one reason for global grants. Provincial governments have been known to mandate educational programs without providing sufficient funds for their achievement.

School-based budgeting has also been hailed as a means of promoting greater local or school autonomy as well as greater efficiency. The primary purpose of this concept has been to ensure that most effective utilization of scarce resources by seeing that the local school's own preferences are reflected in the expenditures of the budget (Brown, D., 1988). It seems paradoxical that this is taking place at the same time that some school board authority is being centralized to the provincial level in many provinces. Full-scale school-based management, which is highly unlikely in this part of the country, would entail the allocation of lump-sum dollars to schools for the purchase of personnel, equipment, and supplies.

Efficiency

Another major theme pervading school finance literature today is that of efficiency and accountability. The pressure for "better" education has come from both taxpayers and politicians. Both want to ensure an efficient and effective use of tax dollars in the achievement of educational goals.

Throughout Canada, increased emphasis on efficiency has been translated into several types of provincial policies, ranging from expenditure limitations and teacher wage restraints earlier in the 1980s, to the current emphasis on relating cost to academic achievement, the development of management plans, and an increased emphasis on

program, teacher, and student evaluation. The particular strategies used have varied from province to province, depending on the political climate of the day and the manner in which education is financed.

There are many problems associated with this concern. Questions have been raised concerning education inputs and outputs. Included in these questions are such basic ones as: Do schools make a difference? Are better educated and more experienced teachers also the most effective teachers? Do better school buildings, better instructional facilities, and larger school districts enhance the learning environment? Do higher expenditures improve the quality of education? These questions have demanded that we focus on program cost analysis and examine the relationship between cost and quality.

Many difficulties exist on the output side of education. In the absence of any clear measure of educational output, there is a tendency to identify greater input quantities with better output, even though few consistent links have been established between the higher level of inputs and more or better educational output. Easily established criteria such as PTR and teacher qualifications have come to be identified with better education for children. According to Easton (1988), we have an almost irresistible tendency to value the service by measuring the cost of its provision.

Associated with efficiency is the concept of accountability, usually defined as "the obligation to answer for a responsibility that has been conferred." In an interesting discussion, the Sullivan Report (pp. 179-180) divided accountability into two categories: procedural and consequential. Procedural accountability incudes financial accountability or the requirement to provide a complete and accurate financial accounting of the use of public funds and compliance with various statutes and regulations. Consequential accountability, which is more complex, requires the provision of information on how resources have been used and what has been achieved.

Included in the developments throughout Canada that may be categorized as consequential accountability are the following:

1. Providing the Department of Education and the public with information and data concerning what is being received for the resources devoted to education.

2. Systematically evaluating school programs and classroom teaching.

3. Systematically evaluating individual student progress through achievement tests and provincial school-leaving examinations.

4. Developing indicators of educational quality for use by school districts.

5. Developing management finance plans by Departments of Education outlining how education can be managed more efficiently and effectively. (In Alberta, the Management and Finance Plan ties evaluation of school plans and programs to the provincial grant system.)

6. Requiring schools and school districts to undertake more long-term planning of intended directions and desired outcomes.

7. Requiring school districts to enter into joint contracts to employ highly specialized personnel and share expensive programs and services.

Earlier, we stated that provincial school finance systems should encourage the efficient organization, administration and operation of school districts and schools. It was also argued that funds should be made available to compensate for the extra costs of education due to sparsity of population to enable districts and schools to provide substantially equivalent educational programs and services throughout a province. The extra funds should not be provided, however, in such a way or to such an extent that they encourage the establishment or the continuance of unnecessary, small, inefficient districts or schools.

Adequacy

While the equity, autonomy and efficiency themes have attracted increasing attention in Canadian education, the question of adequacy of educational funding is the paramount one in many parts of the country. To achieve quality education for all Canadian children, we need more funds so that we can "level up" both within provinces and among provinces, not level down or merely share inadequate resources more equitably.

Conclusions

The 1990s will be an especially challenging period for the financing of elementary and secondary education in Canada. There will be demands for more funds for education as the student population begins to increase in some regions; as we recognize more fully our role in educating all students, including those with special needs; as we adapt out educational system to the new technology. There will be continued pressure for greater productivity in education and better educational outcomes. And there will be demands that we redefine the role of education and restructure the educational system as we approach the twenty-first century.

The Task Force will use the principles identified in this Chapter as a framework for its review of current funding practices in Newfoundland. The challenge is to balance these goals at this point in time. Balance must be maintained between equity and local autonomy, for example. Overemphasis on one of these, justified at certain times, may over the long haul diminish achievement of the other. Equity carried to the extreme may impair local autonomy, while too much local freedom may tend to destroy equity. Hopefully, our recommendations will be a move towards such balance.

Chapter 4

THE GROWTH OF FINANCIAL SUPPORT FOR EDUCATION SINCE 1968

The past two decades we have witnessed an unprecedented amount of growth and expansion in the educational system in this Province. A transformation began in 1968 when several hundred school boards were consolidated into 35 larger units, each with a district superintendent and a team of professional assistants. These consolidated boards awakened a public interest in education, heretofore unknown, and aroused strong expectations for improved educational programs and services. As the seventies progressed, more small schools were consolidated, additional supervisory and specialist personnel added to the central office, and more teachers appointed, in spite of declining enrolments. The curriculum was diversified to better meet individual needs and special programs were developed for exceptional children who never attended school before.

The consolidation of schools and the expansion of educational programming meant that many additional school facilities had to be constructed, furnished and equipped with teaching supplies. Moreover, numerous old, dilapidated, obsolete buildings had to be replaced by modern ones, constructed in accordance with stringent building codes and modern educational standards. As the Newfoundland and Labrador Association of Superintendents of Education pointed out in their submission to the Task Force; "central office personnel encouraged the demise of ten-test buildings hastily constructed outside the pale of recognizable codes and sought school buildings which were in keeping with the seventies".

These educational improvements in the seventies and eighties presented many difficult financial challenges to school boards. They were required to raise a sizeable portion of the cost of new school buildings. They were also expected to furnish them and equip them with ever more costly resource materials which were necessary for new programs and changing teaching technologies. In addition, they had to operate and maintain these facilities, and in most areas of the province, pay pupil transportation costs. These financial commitments had to be met from inadequate government grants and a

meagre local income. Very often school boards found it difficult to survive without incurring heavy deficits on both current and capital account.

This chapter highlights the major developments in the evolution of the present grant system. Then it examines the growth in educational revenues and expenditures since 1968, and concludes with a number of interprovincial comparisons to put things in a Canadian context.

The Changing Financial System

In this section we review the evolution of the system of educational finance since 1968, under the following headings; the basic formula, pupil transportation, local revenue and school finance studies.

The Basic Formula

The development of the present formula for the maintenance and operation of the province's elementary and secondary school system was introduced twenty years ago. Up until then the basic operating grants, excluding pupil transportation, were based on the number of classrooms, laboratories, gymnasiums and other ancillary rooms administered by each school board. In September, 1969, the basis for determining these grants shifted from the amount of space maintained by school boards to the number of pupils enroled in schools under their jurisdiction.

Under the new formula virtually all operating grants, except for pupil-transportation, were paid by a simple per pupil formula differentiated for elementary, junior high and high school students ($48 for elementary, $52 for junior high, and $52 for high school). In addition to this basic grant, there was a small per pupil grant for resource material, a per teacher grant for purchasing materials in certain specialist areas and some financial assistance for boards offering commercial programs. A year later, in 1970, a small

grant was added in recognition of the need for additional materials and supplies for children in special classes.

Almost from the beginning school boards registered dissatisfaction with the inadequacy of the new grant system and many were soon reporting deficits on operating account. There were also complaints about the formula itself in that the amounts provided did not bear sufficient relationship to the costs of delivering educational services around the province. However, the formula remained basically unchanged, except for the amounts which increased periodically until April, 1975, when the differentiated basic per pupil rates were discontinued and replaced by one rate for all pupils regardless the grade in which they were enroled. Perhaps, a more substantive financial initiative was taken in 1976 when government assumed full responsibility for the insurance of all school buildings in the province. This not only provided a measure of financial relief to school boards which were experiencing extreme difficulty in balancing their budgets, it also meant that all school buildings in the province would be adequately covered by insurance.

The pressure for improvement continued and in July, 1978 a committee representing Government departments, the Denominational Education Committees, School Boards, and School Tax Authorities was appointed by government to undertake a thorough examination of the cost of providing basic educational programs in Newfoundland, in the context of operating and maintenance grants needed. A number of studies had been carried out earlier but they did not have any significant impact on the grant formula. The committee completed its assignment and submitted a report entitled *Study of School Board Financing* in April, 1979. A number of its recommendations were immediately implemented. *The School Boards (Allocation of Monies) Regulations*, 1975 were amended to include the following new provisions:

1. a special grant for boards experiencing declining enrolments,

2. a special adjustment for school boards whose cost of heat and light exceeded the provincial average,

3. special consideration for boards operating schools in certain Labrador communities,

4. a special grant to help equalize the cost of bus transportation, and

5. additional funds for providing teaching supplies for handicapped children.

The significance of these new measures was obvious. The Government not only attempted to provide more funds to school boards for operational purposes, it recognized in its grant system the different costs of providing educational services in different regions of the province and it attempted to promote greater equalization of educational opportunity by providing additional funds in areas where certain costs were known to be higher.

The expansion and growth of local school tax systems in the seventies and eighties had important implications for provincial grants to school boards. This development resulted in much greater revenue for some boards, but led to greater inequality in the ability to deliver programs across the Province. By 1986 the net per pupil income from local taxation varied from $64 per pupil in Bay St. George to $273 per pupil in St. John's. A major attempt to reduce such variations took place in 1986 when a Tax Equalization Grant was introduced. The grant provided additional funds to school boards operating in areas where the tax base was relatively low. Even though this was a commendable step forward, the amount of money available was not adequate to minimize the inequalities in the tax yield across the province.

Another development with major financial implications for school boards was the amendment to the *Schools Act* in 1979. This new legislation made it mandatory for school boards to provide educational services for all physically and mentally handicapped children. They then had to provide additional space, more expensive equipment, and very costly support services. Some recognition of the additional costs was made in regulations in subsequent years and in cooperative arrangements for support services with other

departments such as Social Services and Health. However, the assistance provided was inadequate, and the funding formula itself inappropriate to look after rapidly escalating costs as more and more severely handicapped children, with highly specialized needs, were accommodated in the regular school system.

In addition to these more significant revisions to the new formula, a number of minor ones were added over the years. A 90 percent grant was introduced to help defray the cost of school board elections which first took place in 1974. In 1982 when interest rates were high, a special fund was approved to assist boards in paying interest charges on their capital debts; these payments were discontinued when interest rates decreased to normal a few years later. A special subsidy in the early 80's was designed to help school boards meet the additional costs of introducing the reorganized high school program. Each of these measures represented an attempt to adjust the formula to bring it more in line with the actual costs facing school boards.

In an attempt to encourage school boards to further economize in areas where it was possible to do so without affecting the quality of educational services, the Department introduced a small energy conservation grant in 1981. This grant is still provided as part of the total operational grant system.

By 1988, a total of $41,000,000 was spent by government in operational grants to school boards. Of that amount, $37,000,000 or 90 percent was based on various per pupil grants. Another $1,000,000 or 2.5 percent was earmarked for special needs. Slightly more than $3,000,000 or 7.5 percent of the total was designated for tax equalization or to cover variations in the cost of providing educational services in different regions of the Province.

Pupil Transportation

The new approach to financing school board operations in 1969 made no changes to the formula for the distribution of pupil transportation grants. At that time the

Department provided 90 percent of the cost of busing elementary school pupils, and 75 percent of the cost of busing students in central or regional high schools. However, in 1971 the grant for high school students was increased to 90 percent as well. Under this funding arrangement the remaining 10 percent had to be found from the board's other operating grants. The fact that boards were required to assume responsibility for a part of the cost of transportation was considered an incentive to economize and to keep costs at a reasonable level, but it still placed a financial burden on school boards, especially those in rural areas.

In 1976, in an attempt to further control the rising cost of pupil transportation, the Department introduced a system of board-operated buses as an alternative to entering into a contract with private operators. Boards were permitted to purchase their own buses and operate them in accordance with a departmentally approved financing plan. This was done in areas where it could be demonstrated that the cost would be less than contracting out to private operators. Under this plan the Department of Education reimbursed boards for the total cost of the operation. Over the years the number of board operated systems increased and today approximately 36 percent of the children in the province are transported in board-owned buses. While this alternative might have slightly reduced the cost of pupil transportation services in the province, it had the negative affect of further increasing the fiscal disparity, which among school boards had already reached alarming proportions. In fairness, however, many school boards were finding relief in the special grant introduced in 1979 to assist those with higher than average pupil transportation costs.

Local Revenue:

In the late 60's and early 70's, money for educational purposes was raised locally in two ways - through school taxation and in areas where no taxes were levied, through an assessment placed on families with children in school. Parallel legislation in *The School Tax Act* and *The Schools Act* restricted the expenditure of this money to school construction and the payment of salaries for certain school board employees. The money could not be spent for operational costs, even though most school boards were operating

at a deficit. In 1973, however, a committee appointed by Government to study educational finances recommended that this restriction be removed. A year later the legislation was amended to permit boards to use local income for current account as well as capital. This represented a significant change in policy because it placed a larger measure of responsibility and fiscal autonomy on the shoulders of school boards. They could no longer hold Government fully responsible for providing all the funds necessary to operate their schools.

The importance of school taxation as a means of financing education in the province is dealt with more fully later in this Report.

School Finance Studies:

Between 1973 and 1985, a number of education finance studies were undertaken or initiated by Government. Reference has already being made to one or two which led to significant revisions in the operational grant system. There were three others which are worthy of mention even though their main recommendations were not accepted at the time. The first was a study conducted by Professor R. Love of the University of New Brunswick. Basically, he recommended a foundation program to be funded entirely by the province. He suggested a more centralized school tax system with local boards having the authority to raise funds only for supplementary or enrichment purposes.

A study of Departmental records shows that Love's proposals were not accepted, but a committee representing the Federation of School Boards and the Government was appointed to consider the question of school board deficits and the distribution of operational grants to the school boards. A major consideration of the committee was the possibility of a per pupil grant, combined with a negotiated amount based on certain administrative costs which vary from one region of the Province to another. This was probably the first serious attempt to recognize the inadequacy of a flat pupil grant in meeting varying educational costs at the school board level. The proposal

was not recommended because a large number of school boards felt that such an arrangement would lead to a serious infringement of their autonomy.

The third major study, conducted by the Federation of School Boards (1981), recommended that the cost of school board operations be funded jointly by the Province and School Boards in an equitable formula. It also recommended that the Province assume full responsibility for the cost of pupil transportation, school construction, and capital debts. In 1985 the Federation restated its request for a shared funding system incorporating the characteristics of adequacy, equity, efficiency and adaptability. The Province responded by assuming full responsibility for school construction in 1988 but it did not act on the other recommendations.

Growth in Educational Revenue and Expenditure

In this section we examine the growth pattern in certain areas of educational revenue and expenditure since 1968. The year 1968 was chosen because it was the last year before the consolidation of school boards and the introduction of the per pupil formula for funding school board operation.

As might be expected the growth in provincial expenditure on elementary-secondary education since 1968 has been phenomenal. The data for selected years between 1968-69 and 1987-87, the last year for which Public Accounts figures are available, are presented in Table 4-1. In 1968-69 the total expenditure was just under $55 million; in the next 18 years that amount increased 7½ times to nearly $414 million. Based on the Consumer Price Index for St. John's the 1968-69 expenditure of $55 million in constant dollars would have been only $198 million in 1986-87 instead of $414 million.

However, it can be observed from Table 4-1 that the rapid growth in expenditure on elementary and secondary education was matched by increases in the total provincial budget during that period. In fact, the proportion of the provincial budget spent on elementary-secondary education remained constant over these 18 years, except for minor

fluctuations. It is interesting to observe that the percentage of the provincial budget devoted for elementary-secondary education in 1968-69 was 16.3, and in 1986-87 it was 16.4.

Table 4-1

Provincial Expenditures on Elementary-Secondary for Selected Years Since 1968

Year	Total Provincial Budget	Expenditure on Elem.-Sec. Education	Percentage of Provincial Budget Spent on Educ.
1968-69	$336,806,846	$54,798,720	16.27%
1973-74	643,293,097	111,415,723	17.32%
1978-79	1,347,721,000	207,683,746	15.41%
1983-84	2,155,429,000	347,885,877	16.14%
1986-87	2,513,775,000	413,563,554	16.45%

Source: Public Accounts, Province of Newfoundland

Table 4-2

Provincial Expenditures on Operational Grants for Selected Years Since 1968

Year	Expenditure of Elementary-Secondary Education	Expenditure on Operational Grants[1]	Percentage of Educ. Expend. on Operations
1968-69	$ 54,798,720	$ 9,957,762[2]	18.1%
1973-74	111,415,723	11,735,115	10.5%
1978-79	207,683,746	23,480,478	11.3%
1983-84	347,885,877	35,975,046	10.3%
1986-87	413,563,554	39,832,045	9.6%

1: Expenditure on Operations and Maintenance does not include pupil transportation, native grants and bilingual grants which are cost shared with the Federal Government.

2: Expenditure on Operational grants were disproportionately high in 1968-69 because government paid school boards grants in lieu of school fees which were not permitted at that time.

Source: Public Accounts

A somewhat different picture presents itself, however, when one observes the proportion of the total education budget allocated for operational purposes. A glance at Table 4-2 shows that over 18 percent of the budget was spent on operations in 1968-69 and 9.6 percent in 1986-87. Even when allowances are made for the payment of grants in lieu of school fees in the late sixties, the Table shows a decline in government spending on operational grants. One percentage point in 1987-88 means a difference of over $4,000,000, or 10 percent.

More revealing comparisons can be observed when operational grants are reviewed in relation to expenditure on teachers' salaries. Table 4-3 illustrates that in 1968-69 expenditure on operational grants was 34 percent of the expenditure on teachers' salaries; in 1986-879 it was reduced to just over 13 percent. To look at it another way, in the last 19 years, government grants to school boards for the payment of teachers' salaries increased 14 times, during the same period grants for operating schools increased only 4 times.

Table 4-3

Provincial Expenditures on Teachers' Salaries and Operations and Maintenance Grants for Selected Years Since 1968

Year	Expenditure on Teachers' Salaries	Expenditure on Operation &	O & M Grants as Percentage of Maintenance
1968-69	$29,352,478	$9,937,762	33.9
1973-74	64,758,564	11,735,115	18.1
1978-79	147,589,312	23,480,478	15.9
1983-84	258,581,295	35,975,046	13.9
1986-87	413,563,554	39,832,045	13.4

Source: Public Accounts

Sources of Revenue

In Newfoundland, provincial grants and local taxation are the two basic sources of school board revenue, liberally supplemented, as we point out later, by funds raised locally by teachers and students. Table 4-4 presents the relative amounts from the two main revenue sources for selected years between 1975-76 and 1987-88. Unfortunately, statistics were not available for years prior to 1975.

Table 4-4

Sources of Revenue for Operating Schools
For Selected Years Since 1975

Year	Provincial Grants	Local Taxes	Taxes as a Percent of Grants
1975-76	$19,995,097	$3,343,227	16.7
1978-79	23,480,4	8,094,620	34.5
1983-84	35,975,046	16,648,481	46.3
1986-87	39,832,045	23,015,253	57.8
1987-88	41,029,689	25,423,835	61.9

Note: The tax monies for the years 1975-76 and 1978-79 are extrapolated from the income data for the calendar year 1975, 1976, 1978 and 1979.

Source: Public Accounts, Department of Education Records

Table 4.4 indicates a dramatic increase in local tax revenue in the last 12 years. While provincial grants multiplied only 2.1 times in that 12 year period, school tax income multiplies 7.6 times. In 1975-76 the amount received by school boards across the province from school taxation was 16.7 percent as high as the amount received from government grants; by 1987-88 it had increased to over 70 percent. There is no doubt the amendment to the legislation in 1974, permitting school boards to use school tax income for operational purposes, and the relative decrease in operational grants, forced school boards to place more emphasis on local taxation as a source of operating revenue.

An Interprovincial Perspective

Since Newfoundland is a province of Canada, any objective analysis of provincial education expenditures must be undertaken in a Canadian context. It is not unreasonable for Newfoundland citizens to expect a level of educational opportunity, and a level of educational funding, comparable to that offered in other provinces. A meaningful interpretation of education expenditures, therefore, can only take place when Newfoundland data is viewed in the light of similar data from other provinces. With this in mind, we include some comparative information from other Canadian provinces.

Per Pupil Expenditures

Per pupil expenditures on education are generally accepted as the best indication of a province's effort in providing educational opportunity. If this is the case, Newfoundland has made greater strides in education than any other Canadian province in

Table 4-5

Per Pupil School Board Expenditures in Canada for Selected Years Between 1970-1988, in Dollars

Province	1970	1978	1985	1988[(e)]	Percent Increase
British Columbia	734	2170	3927	4289	485
Alberta	833	2017	4558	4633	425
Saskatchewan	655	1921	4037	4221	544
Manitoba	704	1966	4138	4424	528
Ontario	915	2176	4450	5058	453
Quebec	782	2726	5194	5389	589
New Brunswick	597	1636	3671	4523	658
Nova Scotia	564	1684	3654	4216	648
Prince Edward Island	527	1684	3177	3861	443
Newfoundland	413	1550	3160	3967	861
Canada	792	2196	4447	4878	516

[(e)] Estimated expenditures.

Source: Statistics Canada

the last two decades. As Table 4-5 reveals, the per pupil expenditure by Newfoundland school boards increased at a greater rate than expenditures for school boards in any other province during that period. In 1970, Newfoundland boards were spending 52 percent of the Canadian average, in 1988 the percentage had increased to over 80. Only in Nova Scotia and New Brunswick did boards come close to showing this rate of growth in educational expenditure.

Pupil Teacher Ratios

By far the biggest component in educational spending is teacher salaries which, today, takes about 75 percent of the total education budget. For the sake of simplicity, we have decided to use pupil-teacher ratios in our comparisons rather than actual expenditures on Teachers' Salaries, to illustrate the growth in this area since 1968. Table 4.6 shows the reduction in pupil-teacher ratios for each of the Canadian provinces.

Table 4-6

Pupil Teacher Ratios
Inter-Provincial Comparison

Province	1968-69[1]	1986-87[2]	Percent Change
British Columbia	24.7	18.0	27.1
Alberta	21.4	17.4	18.7
Saskatchewan	21.6	17.0	21.3
Manitoba	21.6	15.5	28.2
Ontario	21.9	16.5	24.7
Quebec	20.3	15.8	22.2
New Brunswick	22.9	18.1	21.0
Nova Scotia	23.4	16.8	28.2
Prince Edward Island	20.1	18.3	9.0
Newfoundland	24.4	16.8	31.1
Canada[3]	21.7	16.6	23.5

1 Based on full-time teachers only. Data not available to complete FTE teachers.
2 Based on full-time equivalent teachers.
3 Canada average includes Yukon and North West Territories

Source: Statistics Canada

Again, the rate of change has been greater in Newfoundland than in any other province. In 1968, the ratio for Newfoundland was close to the highest in Canada; in 1986-87 it was down to the Canadian average. During that period the ratio dropped from 24.4 to 16.8.

Per Capita Expenditures

In addition to per pupil expenditures, there are several other socio-economic indicators which could be used to reflect public effort in funding education. Among them are: expenditures per capita of population, expenditures per capita of labour force, expenditures per capita of employed labour, Gross Domestic Product and personal income. We have selected data regarding expenditures per capita of the labour force for comparative purposes, even though our examination of relevant information shows that Newfoundland's growth exceeds the Canadian average on all factors. An analysis of school board expenditures on elementary-secondary education as per capita of the labour force, for Canadian provinces, is given in Table 4.7 for selected years since 1970.

Table 4-7

School Board Expenditures Per Capita of the Labour Force for Selected Years Between 1970 and 1988

Province	1970	1978	1985	1988[e]	Percent Increase
British Columbia	423	921	1298	1454	244
Alberta	517	879	1573	1660	221
Saskatchewan	467	960	1587	1786	282
Manitoba	428	883	1506	1728	304
Ontario	550	983	1556	1790	226
Quebec	522	1127	1645	1770	239
New Brunswick	506	987	1725	1958	287
Nova Scotia	444	986	1638	1765	298
Prince Edward Island	417	937	1357	1533	267
Newfoundland	458	1198	1983	2208	360
Canada	511	1068	1572	1753	243

[e] The 1988 figures are estimates and are subject to revision.

Source: Statistics Canada

It can be seen from Table 4.7 that the expenditures per capita of the labour force for Newfoundland school boards in 1970 was $458. and it multiplied about 4½ times to $2208. by 1988. In 1970, Newfoundland's expenditure by this indicator was less than 90 percent of the Canadian average; in 1988, it was nearly 26 percent higher. No other Canadian province demonstrated such a rate of growth in funding public education.

There are two important conclusions that can be reached from the limited statistical data presented in this chapter. One is that enormous progress has been made in the last two decades in reducing the wide gap that exists between the amount of educational expenditure in this province and the Canadian average, and presumably in reducing the inequality of educational opportunity that exists between this province and other regions of the country. The other obvious conclusion is that, given the effort to fund education that the Province now makes in comparison to other provinces, it will be extremely difficult to close the gap or reduce it much further.

Chapter 5

THE CURRENT FINANCIAL STATUS OF SCHOOL BOARDS

The main purpose of this chapter is to provide a general overview of the financial circumstances experienced by school boards in the Province today. We examine the major areas of revenue, with particular reference to the variations in per pupil amounts from one board to another. We then review some relevant data from other Canadian provinces for comparative purposes. Finally, we identify a number of major financial issues confronting Newfoundland school boards today.

Review of Annual Reports

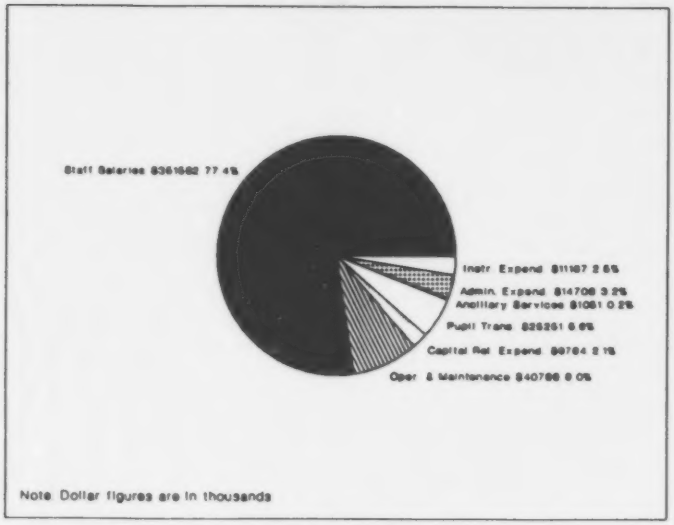
Expenditure

The statistical information presented regarding school board income and expenditures comes from their annual financial statements. The most recent year for which accurate data are available is the school year 1986-87. The audited financial statements for that year indicate that school boards spent a total of $454,311,000 on current account which included $9,764,000 in interest charges and transfers to capital. A breakdown into the major areas of expenditure is graphically illustrated in Figure 5-1 below.

Figure 5-1 shows that $351,582,000 or more than three-quarters of school board budgets were devoted to instructional salaries which included central office staff, teachers and school secretaries. The operation and maintenance of school buildings accounted for $40,788,000 or 9.0 percent. The transportation of pupils to and from schools cost $25,251,000 or 5.6 percent; and the administration of central offices took $14,708,000 or 3.2 percent. It should be noted that instructional expenditures, which included instructional materials and supplies, equipment, supervisory travel and the in-service training of teachers, amounted to $11,167,000 or only 2.5 percent of total current expenditure.

Figure 5-1

Where School Board Money is Spent
1987-88


Staff Salaries $361682 77.4%
Instr. Expend. $11167 2.6%
Admin. Expend. $14708 3.2%
Ancillary Services $1081 0.2%
Pupil Trans. $28261 6.6%
Capital Rel. Expend. $8764 2.1%
Oper. & Maintenance $40766 8.0%
Note: Dollar figures are in thousands

Revenue

Table 5-1 gives a per pupil breakdown by school board of all current account revenues, including teachers' salaries and pupil transportation for the province's 33 school boards for the school year 1987-88. In that year the total current revenue, as reported in the school boards' annual statements, was $452,208,830, which averaged $3,319 for the 136,228 pupils enrolled in Newfoundland schools.

It is interesting to analyze the variations in the per pupil revenue of school boards outlined in Table 5-1. The data appear to suggest a wide discrepancy in income between the boards at the top of the list and those at the bottom, with a spread of $1844 per pupil. However, if we exclude the Seventh Day Adventist board, which tends to distort the picture because it served only 314 students but received very strong support from parents, the revenue ranged from $2995 per pupil in the district with the lowest income to $4672 in the district with the highest. The spread is lessened somewhat but at $1,677 per pupil is still unacceptably high.

Table 5-1

Breakdown of Total School Board Revenue For 1987-88

School Board	Total Revenue	Enrolment	Per Pupil Revenue
Port aux Basques	$7,799,454	2,604	$2,995
Bon.-Tri.-Pla.	19,528,896	6,489	3,010
St. John's	59,900,660	19,866	3,015
Pentecostal Assemblies	20,994,427	6,903	3,041
Conception Bay South	10,256,225	3,359	3,053
Bay of Islands-St. Georges/B/R[1]	20,649,431	6,746	3,061
Avalon North	28,697,379	9,138	3,140
Avalon Consolidated	37,676,241	11,686	3,224
Burin Peninsula R.C.	13,453,808	4,170	3,226
Placentia-St. Mary's	11,208,425	3,422	3,275
Humber-St. Barbe	13,916,172	4,224	3,295
Exploits White-Bay	9,081,759	2,754	3,298
Conception Bay Centre	5,642,208	1,708	3,303
Gander-Bon.-Connaigre	8,962,361	2,706	3,312
Deer Lake	8,523,928	2,562	3,327
Burin Peninsula Int.	11,933,700	3,565	3,347
Bay St. George	7,380,261	2,171	3,399
Conception Bay North	8,567,539	2,511	3,412
Vinland	5,993,260	1,756	3,413
Terra Nova	22,867,859	6,677	3,425
Ferryland	7,328,774	2,135	3,433
Port au Port	12,692,702	3,677	3,452
Cape Freels	5,197,066	1,500	3,465
Green Bay	11,274,413	3,216	3,506
Bay d'Espoir-Her.-F. Bay	6,655,650	1,879	3,542
Strait of Belle Isle	7,555,493	2,106	3,588
St. Barbe South	6,161,168	1,684	3,659
Notre Dame	12,006,682	3,173	3,784
Exploit's Valley	16,443,709	4,337	3,791
Labrador West	8,912,488	2,038	4,373
Labrador East	9,804,555	2,236	4,385
Labrador	13,622,683	2,916	4,672
Seventh Day Adventist	1,519,454	314	4,839
Total	452,208,830	136,228	3,319

[1] Includes data for Burgeo and Ramea

Source: Department of Education

The variation in revenue would be reduced even further if we exclude the three school boards which operate exclusively in Labrador and received considerably higher revenue because of grants for native education and generous contributions from mining companies. When we exclude these boards with special sources of revenue, we find the income ranged from $2995 per pupil to $3791, a difference of $796, with an average income of $3250 per pupil. A simple calculation shows that, except for four boards, each board's income deviated from the average by less than 10 percent. On the surface these variations do not appear excessive; neither do they appear unreasonable since the slightly higher amounts were received in rural districts where educational costs are generally considered to be higher.

The picture changes completely, however, when grants for teachers' salaries and pupil transportation, which made up over 80 percent of school board revenues, are excluded from the analysis. The provincial allocation of teacher salary units, in particular, strongly favours rural districts with small schools. Since the Department of Education pays the total teacher salary bill, this tends to distort the real financial status of schools, relative to each other. The allocation of teacher salary units by school board for 1987-88 is presented in Table 5-2, with the pupil/teacher ratio for each.

School boards consider the payment of teachers' salaries and pupil transportation to be "fixed costs" because provincial grants are earmarked for these specific purposes. When these grants are excluded we get a more realistic indication of the discretionary funds available to school boards for the operation of school buildings and the delivery of educational programs. Table 5-3 gives a breakdown of "discretionary revenue" by school board for 1987-88. It can be seen that this income varied from a low of $469 per pupil to a high of $1319. To express it another way, the board with the highest income received about 2.8 times as much per pupil as the board with the lowest. Even when the four boards with extraordinary income are dropped from the comparison, the per pupil amount ranged from $469 to $658, with the highest board receiving more than 1.4 times as much per pupil than the lowest. These variations in operational revenue represent a degree of inequality in the financial system which is unacceptable.

Table 5-2

Pupil Teacher Ratios By School Board for 1987-88

School Board	Enrolment	Teacher Units Allocated	Ratio
Seventh Day Adventist	314	26	12.08
Labrador East	2236	171	13.08
St. Barbe South	1684	119	14.15
Bay d'Espoir-Her.-F. Bay	1879	128	14.68
Labrador	2916	198	14.73
Notre Dame	3173	210	15.11
Cape Freels	1500	99	15.15
Strait of Belle Isle	2106	136	15.49
Green Bay	3216	207	15.54
Exploits-White Bay	2754	176	15.65
Vinland	1756	112	15.68
Exploit's Valley	4337	276	15.71
Port au Port	3677	233	15.78
Gander-Bon.-Connaigre	2706	170	15.92
Bay St. George	2171	136	15.96
Deer Lake	2562	157	16.32
Terra Nova	6677	405	16.49
Humber-St. Barbe	4224	255	16.56
Conception Bay North	2511	151	16.63
Ferryland	2135	128	16.68
Burin Peninsula R.C.	4170	250	16.68
Placentia-St. Mary's	3422	202	16.94
Burin Peninsula Int.	3565	210	16.98
Labrador West	2038	118	17.27
Avalon North	9138	525	17.41
Pentecostal Assemblies	6903	392	17.61
Bay of Islands-St. Georges/B/R	6746	382	17.66
Avalon Consolidated	11686	652	17.92
Conception Bay Centre	1708	95	17.98
Port aux Basques	2604	143	18.21
Bon.-Tri.-Pla.	6489	353	18.38
St. John's	19866	1,026	19.36
Conception Bay South	3359	172	19.53
Total	136,228	8,013	17.00

Source: Department of Education

Table 5-3

Breakdown of School Board Revenue (Excluding Teachers' Salaries and Pupil Transportation) for 1987-88

School Board	Total Revenue	Enrolment	Per Pupil Revenue
Green Bay	$1,507,035	3,216	$469
Conception Bay Centre	802,277	1,708	470
Avalon North	4,323,133	9,138	473
Bay d'Espoir-Her.-F. Bay	891,752	1,879	475
Conception Bay South	1,595,022	3,359	475
Placentia-St. Mary's	1,633,158	3,422	477
Port aux Basques	1,274,958	2,604	490
Conception Bay North	1,239,443	2,511	494
Notre Dame	1,589,067	3,173	501
Ferryland	1,074,287	2,135	503
St. Barbe South	860,054	1,684	511
Burin Peninsula R.C.	2,131,805	4,170	511
Gander-Bon.-Connaigre	1,401,217	2,706	518
Bay St. George	1,132,892	2,171	522
Pentecostal Assemblies	3,615,375	6,903	524
Cape Freels	785,657	1,500	524
Deer Lake	1,342,136	2,562	524
Bon.-Tri.-Pla.	3,426,814	6,489	528
Exploit's White-Bay	1,456,940	2,754	529
Bay of Islands-St. Georges/B/R	3,681,890	6,746	546
Burin Peninsula Int.	1,952,185	3,565	548
Vinland	969,174	1,756	552
Terra Nova	3,738,750	6,677	560
Strait of Belle Isle	1,217,435	2,106	578
St. John's	11,696,209	19,866	589
Humber-St. Barbe	2,497,977	4,224	591
Exploit's Valley	2,756,196	4,337	636
Port au Port	2,338,958	3,677	636
Avalon Consolidated	7,684,732	11,686	658
Seventh Day Adventist	288,419	314	919
Labrador East	2,115,827	2,236	946
Labrador	3,798,591	2,916	1303
Labrador West	2,688,940	2,038	1319
Total	79,508,305	136,228	584

Source: Department of Education

Deficits

From a study of the information taken from the audited financial statements of school boards, it appears to the Task Force that the accumulated school board deficit in current account up to the end of the school year 1987-88 was $8,033,890. A list of the

School boards and their equity at the end of 1988 are set out in Table 5-4 below. The table also gives the per pupil amounts, which vary considerably from one district to another.

Table 5-4

Surplus/Deficit for 1987-88

School Board	Enrolment	Board Equity Ending	Per Pupil
Vinland	1,756	($338,027)	($192)
Strait of Belle Isle	2,106	(56,982)	(27)
Deer Lake	2,562	26,801	10
Green Bay	3,216	(267,543)	(83)
Exploit's Valley	4,337	57,475	13
Notre Dame	3,173	(70,797)	(22)
Terra Nova	6,677	17,933	3
Cape Freels	1,500	11,731	8
Bon.-Tri.-Pla.	6,489	70,748	11
Avalon North	9,138	186,928	20
Avalon Consolidated	11,686	(68,698)	(6)
Burin Peninsula Int.	3,565	(413,293)	(116)
Bay d'Espoir-Her.-F. Bay	1,879	(201,065)	(107)
Port aux Basques	2,604	(107,677)	(41)
Bay of Islands-St. Georges/B/R	6,746	(296,934)	(44)
St. Barbe South	1,684	75,129	45
Labrador East	2,236	(314,568)	(141)
Labrador West	2,038	(125,151)	(61)
Conception Bay South	3,359	71,465	21
Pentecostal Assemblies	6,903	254,485	37
Bay St. George	2,171	(332,436)	(153)
Burin Peninsula R.C.	4,170	(695,534)	(167)
Conception Bay Centre	1,708	(313,339)	(183)
Conception Bay North	2,511	(17,412)	(7)
Exploits White-Bay	2,754	30,599	11
Ferryland	2,135	83,879	39
Gander-Bon.-Connaigre	2,706	(265,459)	(98)
Humber-St. Barbe	4,224	46,121	11
Labrador	2,916	(595,450)	(204)
Placentia-St. Mary's	3,422	84,649	25
Port au Port	3,677	43,304	12
St. John's	19,866	(3,420,209)	(172)
Seventh Day Adventist	314	(133,316)	(425)
Total	136,228	(6,972,643)	(51)
Surplus		1,061,247	
Deficit		(8,033,890)	

Note: Surplus(Deficit) comprises boards with a Board Equity ending amount greater(less) than zero.

Source: Department of Education

However, statistical data taken from annual reports may represent only a small part of the total picture. The fact that some boards have little or no operating deficit may mean that they deliberately decided not to engage in deficit financing regardless of the educational consequences. They attempted to balance their budgets by economizing on essential educational matters. In fact, several district superintendents stated that in their attempts to be financially responsible they might have been educationally irresponsible. Another superintendent expressed it this way in his oral presentation to the Task Force: "Our audited financial statements show that we have no deficit; if you want to see our deficit, look at our schools and the equipment in them". Our study indicates that there are enough poorly equipped school buildings in this province, woefully lacking in essential instructional materials, to confirm the accuracy of this observation.

Interprovincial Comparisons

In the previous chapter we reviewed the growth of educational expenditure in this province and compared it with other provinces by using a selected number of socio-economic indicators. The conclusion was that we have made tremendous progress in recent years, yet we still lag far behind the rest of Canada in terms of per pupil expenditure on education. The extent of this lag is illustrated in Table 5-5 which gives the most recent comparative data for the ten Canadian provinces.

The Table shows that in 1985, the most recent year when actual figures are available, Newfoundland school boards spent $2034 per pupil less than their counterparts in Quebec and $1287 per pupil less than the Canadian average. The estimates indicate that this difference may have dropped to $911 per pupil by 1988. It would have taken an additional expenditure of approximately $185,000,000 for Newfoundland to have reached the national average in 1985, and close to $125,000,000 in 1988, if the estimates for that year are reliable.

Table 5-5

Per Student School Board Expenditures by Canadian Provinces for 1985 and 1988

Province	1985	1988
British Columbia	3927	4289
Alberta	4558	4633
Saskatchewan	4037	4221
Manitoba	4138	4424
Ontario	4450	5058
Quebec	5194	5389
New Brunswick	3671	4523
Nova Scotia	3654	4216
Prince Edward Island	3177	3861
Newfoundland	3160	3967
Canadian	4447	4878

Note: The Canadian average contain figures for NWT and the Yukon

Source: Statistics Canada

On the assumption that a positive correlation exists between educational expenditure and the quality of educational service, many agree that the Province must attempt to reach the national average in spending as soon as possible. The Newfoundland and Labrador School Trustees Association, in its submission to the Task Force, suggested that we should aim for that level of financing within five years. As we noted earlier, that objective may be difficult to reach, given the economic situation in the Province and the inordinately high effort it now makes to fund education. While it is not within its mandate to recommend where education funds should come from, the Task Force feels that the Province may have to investigate new sources of income, including the Federal Government and Federal Agencies, if our educational spending is to become comparable to that in the rest of Canada.

School-based Funding

Early in the study the Task Force was surprised to learn from preliminary discussions with representatives from school boards that very considerable sums of money were raised for educational purposes by teachers and students. It was even more surprising

to learn that a significant portion of those funds was used to purchase necessary teaching materials and supplies since such funds have traditionally been reserved for purposes other than basic program support. The Task Force decided to conduct a survey to gather information on school-based funding. A questionnaire was prepared and sent to every second school in the Province, 277 in all, requesting information on the amount of money raised, the methods used to raise it, and where it was spent. Two hundred and three schools, or 73 percent responded (see Appendix E).

Revenue

The responses reported that $1,850,000 was raised in 1987-88 in the 203 schools which represented 50,995 pupils. This was an average of $36.29 for each pupil enrolled in the responding schools. By extrapolation we can conclude that roughly $4,944,000 was raised on behalf of the 136,228 pupils enrolled in all schools in the Province that year.

Table 5-6 shows the major sources of school-based revenue with the per pupil amounts and the percentages for each source. School canteens were by far the most lucrative source of income accounting for nearly 18 percent of the total, or $6.43 per pupil. This was followed by PTA contributions, student fees, chocolate bar sales and various "thons". In the light of Section 100 of *The Schools Act,* which prohibits charges to pupils except for lunches and services outside of school hours, it is interesting to observe that 8.6% of school-based income, or $3.14 per pupil came from student fees.

Table 5-6

School-based Funds by Source 1987-88

Source	Per Pupil	Percent
Canteen Profits	$6.43	17.7
Chocolate Bar Sales	3.09	8.5
Magazine Sales	0.54	1.5
Fruit Sales	0.57	1.6
Ticket Sales	2.25	6.2
Other Types of Sales	3.09	8.5
Bottle Drives	0.76	2.1
Various "Thons"	2.63	7.2
Concerts	2.25	6.2
Student Fees	3.14	8.6
PTA Contributions	3.37	9.3
Church Donations	0.83	2.3
Other Activities	7.35	20.3
Total	36.29	100.0

Source: Task Force Survey

Tables 5-7 and 5-8 are presented together for easy reference. Table 5-7 gives a breakdown of the source of revenue by small schools and others. (Small schools are high schools which have 25 pupils or fewer in each grade and elementary or all-grade schools which have fewer than 12 pupils.) It shows that considerably more money was raised in small schools than in bigger ones from almost every source except student fees. The difference in income was $12.60 per pupil. Table 5-8 provides a breakdown of the sources of revenue by urban and rural schools. (The definitions of rural and urban are those used by the Department of Education.) There were some slight variations in the per pupil amounts raised from different sources in urban and rural schools. However, rural schools raised $12.95 per pupil more than urban, with most of the difference coming from canteen profits and in specified activities.

Table 5-7

School-based Funds for Small Schools and Others by Source 1987-88

Source	SMALL		OTHER	
	Per Pupil	Percent	Per Pupil	Percent
Canteen Profits	$8.29	17.9	$6.11	18.1
Chocolate Bar Sales	2.30	5.0	3.15	9.4
Magazine Sales	0.35	0.8	0.57	1.7
Fruit Sales	0.46	1.0	0.59	1.7
Ticket Sales	3.93	8.5	2.08	6.2
Other Types of Sales	4.32	9.3	2.95	8.8
Bottle Drives	0.48	1.0	0.80	2.4
Various "Thons"	4.96	10.7	2.37	7.0
Concerts	2.96	6.4	2.10	6.2
Student Fees	1.37	3.0	3.25	9.6
PTA Contributions	5.22	11.3	2.86	8.5
Church Donations	1.63	3.5	0.51	1.5
Other Activities	10.03	21.7	6.35	18.8
Total	46.30	100.0	33.70	100.0

Source: Task Force Survey

Table 5-8

School-based Funds for Urban and Rural Schools by Source 1987-88

Source	URBAN		RURAL	
	Per Pupil	Percent	Per Pupil	Percent
Canteen Profits	$3.36	11.9	$8.98	21.9
Chocolate Bar Sales	3.30	11.7	2.79	6.8
Magazine Sales	0.57	2.0	0.52	1.3
Fruit Sales	0.65	2.3	0.50	1.2
Ticket Sales	2.29	8.2	2.18	5.3
Other Types of Sales	2.92	10.4	3.24	7.9
Bottle Drives	0.60	2.1	0.90	2.2
Various "Thons"	1.40	5.0	3.72	9.1
Concerts	1.61	5.7	2.67	6.5
Student Fees	3.21	11.4	2.85	6.9
PTA Contributions	4.09	14.5	2.13	5.2
Church Donations	0.45	1.6	0.80	2.0
Other Activities	3.68	13.1	9.79	23.8
Total	28.13	100.0	41.08	100.0

Source: Task Force Survey

The foregoing data clearly indicate that more emphasis is placed on school-based funding in small, rural schools. One reason for this may be that most small schools are found in rural areas, and it is obviously these schools which have the greatest need for additional funds to supplement allocations from the school board office. Another reason is that small schools are likely to have a strong school spirit and more general community support than centralized or urban schools. The data also show that somewhat more fees were collected in large schools in most urban and rural areas. This might indicate a special need for funds to support the purchase of materials in subject areas such as Industrial Arts, Home Economics and Computer Science.

Expenditures

The survey indicated that 51 percent of the money raised by schools was spent on teaching equipment, resource materials, teaching supplies and library books. The rest was spent in such activities as field trips, travel, and graduation exercises. In other words, about half of the money raised was spent on basic instructional materials which school boards are not only expected, but are required by law, to provide. The other half was spent in co-curricular or extra-curricular activities. An analysis of these expenditures, for all schools, is contained in Table 5-9 below.

Table 5-9
School-based Funds by Item
1987-88

Item	Per Pupil	Percent
Photocopier/Supplies	$4.47	12.4
Technological Equip.	4.09	11.6
Sports Equipment	2.12	6.0
School Furniture	1.35	3.8
Teaching Supplies	3.80	10.8
Library Books	2.55	7.3
Field Trips	2.56	7.3
Travel-Sports	3.42	9.7
Travel-Music/Drama	0.68	1.9
Graduation Exercises	4.42	12.6
Yearbook	1.71	4.9
Other Purposes	3.99	11.3
Total	35.17	100.0

Source: Task Force Survey

A further analysis of the data is contained in Table 5-10 which gives a breakdown by small schools and others, and in Table 5-11 which differentiates between urban schools and rural. In bigger schools 52 percent of the income was spent on basic instructional materials and the percentage was only slightly less, 47 percent, in small schools. However, in urban schools 60 percent was spent on instructional materials and only 46 in rural. At first this may appear surprising, but a closer examination of the figures reveal that the per pupil amounts are virtually the same except in small schools. The per pupil expenditure on board materials is highest in small schools, where the total per pupil income is also highest.

Another interesting observation emerges from an examination of these data. Small and rural schools spend significantly more in school graduation than other schools do. Apparently more emphasis is attached to this type of activity in rural Newfoundland.

Table 5-10

Expenditures of School-based Funds for Small Schools and Others by Item 1987-88

Item	SMALL		OTHER	
	Per Pupil	Percent	Per Pupil	Percent
Photocopier/Supplies	$5.98	12.2	$4.04	12.4
Technological Equip.	5.19	10.6	3.79	11.6
Sports Equipment	2.79	5.7	1.86	5.7
School Furniture	0.57	1.2	1.24	3.8
Teaching Supplies	5.30	10.8	3.61	11.0
Library Books	3.13	6.4	2.42	7.4
Field Trips	2.87	5.9	2.54	7.8
Sports Travel	5.67	11.6	3.16	9.7
Travel-Music/Drama	1.04	2.1	0.62	1.9
Graduation Exercises	9.45	19.3	3.86	11.8
Yearbook	0.46	0.9	1.82	5.6
Other Purposes	6.44	13.2	3.68	11.3
Total	48.89	100.0	32.64	100.0

Source: Task Force Survey

Table 5-11

Expenditures of School-based Funds for Urban and Rural Schools by Item 1987-88

Item	URBAN		RURAL	
	Per Pupil	Percent	Per Pupil	Percent
Photocopier/Supplies	$4.22	14.7	$4.17	10.6
Technological Equip.	3.33	11.6	4.42	11.3
Sports Equipment	1.76	6.1	2.32	5.9
School Furniture	1.47	5.1	0.98	2.5
Teaching Supplies	3.67	12.8	3.82	9.8
Library Books	2.84	9.9	2.12	5.4
Field Trips	1.20	4.2	3.77	9.6
Sports Travel	2.61	9.1	4.12	10.5
Travel-Music/Drama	0.53	1.8	0.80	2.0
Graduation Exercises	2.37	8.3	6.25	16.0
Yearbook	1.81	6.3	1.55	3.9
Other Purposes	2.92	10.2	4.85	12.4
Total	28.72	100.0	39.18	100.0

Source: Task Force Survey

From our discussion with school boards and teachers, we gather there is a strong measure of support, in principle, for raising educational funds at the school level. The activity offers educational as well as financial benefits. However, two points must be made. The first is that this method of fund raising has been extended to the limit, and there is a growing a vocal reaction from parents in a number of districts. The other point is that funds from this source should be used exclusively for co-curricular and extra curricular programs; they should not be used to purchase essential instructional materials which should be provided from public funds.

Major Issues in School Financing

Early in the study the Task Force invited school boards to identify the major issues confronting them in the operation of their schools and the provision of educational services. The Task Force considered their oral and written responses, examined their annual financial statements, and reviewed Departmental records covering the past 20 years. From these sources it appears there are four major areas of concern: unequal costs, tax

inequity, debt retirement and insufficient revenue. They are discussed in general terms below, but a more detailed analysis is found in subsequent chapters of this report.

Unequal Costs

Almost from the inception of the present grant formula, it became evident that the equal distribution of operational grants on a per pupil basis would not fund equal educational opportunity or provide equal access to educational programs in the Province. Such grants failed to recognize variations in the costs of providing and administering educational facilities and services from one region of the Province to another, and even from one school to another within the same region. These variations are extreme in this Province because of the degree of isolation, the number of small schools and the amount of travel required in the more remote regions.

The transportation of pupils is another significant factor contributing to these extreme variations. The costs vary from one district to another depending on the proportion of students bussed and whether or not the busses are owned by the board. In some districts, relatively few pupils are bussed to school, whereas in others the number are very high, and the boards have to find up to 10 percent of the costs involved.

Tax Inequality

This is the second major issue in school financing in the Province because some school districts have much greater tax potential than others. Actually the per pupil income from this source in 1987-88 ranged from $69 in the district with the lowest income to $273.00 in the district with the highest. Unfortunately, many of the boards with the lowest tax income also have the greatest needs and the highest operating costs because they serve the rural areas. As we have already noted, the Department of Education has reduced this inequality by introducing a tax equalization grant, but it will have to be tripled to adequately address the problem.

Debt Retirement

The total capital debt outstanding for all school boards in the Province was just over $27,800,000 at the end of 1987-88. A few school boards, because of different capital requirements over the years or different policies regarding school financing, accumulated little or no debt; others accumulated a sizeable amount. To illustrate the point further, the amounts spent by boards on debt service in 1987-88 varied from $0.00 per pupil to $165.00. The significance of this is simply that those amounts had to be taken from the school boards "discretionary funds" thus leaving less money for regular operational purposes. This matter is be dealt with more fully in Chapter 13.

Inadequate Grants

The general perception among school boards is that government grants and local income have not been adequate to enable school boards to operate and maintain then schools properly and to provide an acceptable level of educational services. The inadequacy of these revenues is partly reflected in operating deficits, which, as we have seen, have risen to over $8,000,000 and partly in the quality of services provided. Indeed several school boards reported they would not be able to offer the programs they do, or engage in necessary curriculum revision, with the emphasis on resource-based teaching, without depending on the money raised by teachers and students.

Chapter 6

A FRAMEWORK FOR THE TASK FORCE REVIEW

The Task Force was directed by its terms of reference to propose alternative methods of financing school board operational costs that would make possible the provision of basic education programs and services throughout the Province. It was essential, therefore, that we focus on (1) what is meant by "basic" programs and services, and (2) the whole question of equality of educational opportunity. We discuss these two concepts to arrive at a definition for the purpose of the review, and then present the guidelines on which this report is based.

Basic Programs and Services

The Aims of Public Education

We begin this section with a brief comment on the aims of public education in Newfoundland because these aims determine the programs and services that should be offered. When an operating consensus has been reached on what the goals are for the Province and what basic programs, facilities and services should be made available throughout the Province, to help attain these goals, then it is possible to determine needs and costs. The definition of educational need is the cornerstone of any school finance program.

The formal statement of aims for education in Newfoundland prepared in the late 1950's, is a very comprehensive one. It defines education as "the process by which human beings are enabled to achieve their fullest and best development both as private individuals and as members of human society." Educated individuals are described as those who are fully developed spiritually, morally, emotionally, intellectually, culturally, socially, and physically. The statement argues that the best and fullest development of individuals "can be achieved only in a Christian, democratic society."

The philosophical statement regarding education resulted in fifteen general objectives for Newfoundland schools. These are as follows:

1. To help pupils understand the Christian principles and to guide them in the practice of these principles in their daily living.

2. To help pupils to develop moral values which will serve as a guide to living.

3. To acquaint pupils with the principles of democracy and to provide opportunities for the practice of these principles.

4. To help pupils to mature mentally.

5. To help pupils to mature emotionally.

6. To ensure that all pupils master the fundamental skills of learning to the limit of their abilities.

7. To provide opportunities for the development of pupils' abilities to think critically.

8. To help pupils to understand, appreciate and benefit from what is good and valuable in history, literature, science and the arts.

9. To help pupils make the best of their leisure time.

10. To help pupils understand the human body and practice the principles of good health.

11. To help pupils appreciate their privileges and responsibilities as members of their families and the wider community and so live in harmony with others.

12. To give pupils guidance in the choice of a career and to provide opportunities to begin preparation for occupational life.

13. To encourage pupils to strive for high standards in their work and to develop an appreciation and respect for the work of others.

14. To seek out and develop pupils' special talents and potentialities and to assist them in developing their strengths and in overcoming or adjusting to disabilities and weaknesses.

15. To ensure that both English language and French language pupils are provided the opportunity to study in their own language, where numbers warrant, and also, to study English or French as a second language.

(*The Aims of Public Education*, Revised 1985)

The Task Force engaged Dr. C.K. Brown, former Director of Instruction with the Department of Education, to undertake an analysis of the statement of aims. He concluded that, for the most part, the statement was as appropriate now as when it was first formulated. His analysis led to the conclusion that elementary and secondary education should follow these principles:

1. All pupils have the same right to educational services. This right follows from the democratic principles espoused. It includes the right to a standard program, and the right to have aspects of their schooling adjusted to their specific talents and weaknesses.

2. The school must provide the means and help students to pursue their own best development. The school must ensure that students master the means of acquiring an education - the skills of learning - and develop special talents.

3. Christians are entitled to expect the school to promote their religious principles and way of life.

4. All individuals have a right to receive Christian treatment from the school system. The insistence on moral development by precept and example, and the statement that a Christian society is the best environment in which to achieve fullest development, makes this an essential aspect of the school environment.

5. The school must be a healthful environment.

6. The school must provide a challenging program for every child. This is required by objective 13.

7. The child has a right to expect that his special talents are identified and developed.

8. The child has a right to help to overcome his disabilities.

Brown also commented on the premise that the best education could be achieved "only" in a Christian, democratic society. He argued that such a statement did not recognize the existence of other religions or the probability that they would reject that one was only educated if one were a Christian. According to Brown, a reasonable alternative might be: "we believe that the fullest and best development can be achieved only through the understanding and practice of the principles which in our society are expressed in Christian and democratic ideals." (Brown, C.K., 1988)

As noted earlier, *The Aims* statement provides a broad base for educational programming in the Province. The fifteen goals suggest that the schools should undertake such specific tasks as helping pupils master the fundamental skills to such broad ones as helping pupils develop their ability to think critically. The goals could also be used to justify high school courses in business or industrial education, such as typing, woodworking, metalworking, home maintenance and food service: courses supported by The Royal Commission on Employment and Unemployment and educators such as Kitchen. The Royal Commission argued that in addition to developing in young people strong fundamental academic abilities, school programs should provide instruction in and give credit for skills that contribute to greater self-reliance and successful adaptations to life in rural Newfoundland. It states that a balance must be found between local needs and broad, general knowledge, with locally relevant education seen as useful in itself and as an important way to interest students in becoming well-educated members of contemporary Canadian society (p. 218). Kitchen argues that in addition to a general education that prepares Newfoundlanders and Labradorians to be world citizens, rural students should have the option of being appropriately educated for outport life, including instruction in home economics, fish biology, home construction skills, and so on (pp. 6-7).

In an attempt to ascertain what the public considered important functions of the schools, the Task Force asked respondents to its public opinion poll to indicate whether selected purposes were very important, of some importance, or not important at all. As shown in Table 6-1, nearly 96 percent ranked teaching basic skills such as reading and mathematics very important. Approximately 90 percent ranked teaching attitudes such as

co-operation and tolerance, preparing students for jobs, and preparing students for universities and colleges very important, followed closely by preparing students to live in a technological world (88 percent) and preparing students to be overall good citizens (87 percent). Surprisingly, only 58 percent considered teaching basic moral and religious principles very important, while nearly 28 percent considered this function of some importance and 14 percent not important at all.

Table 6-1

Perceived Function of the Schools

	Percentages		
	Very	Some	Not at All
1. Teaching basic skills such as reading and mathematics	95.8	3.6	.7
2. Teaching attitudes such as cooperation and tolerance	90.3	8.6	.9
3. Preparing students for jobs	90.1	9.0	1.0
4. Preparing students for universities and colleges	90.1	8.8	.8
5. Preparing students to live in a technological world	88.2	10.7	1.0
6. Preparing students to be overall good citizens	86.8	81.7	1.5
7. Teaching basic moral and religious principles	58.0	27.8	13.8

Source: Public Opinion Survey (1988)

Defining Basic Programs

Many submissions to the Task Force emphasized the importance of providing equal access to basic educational programs and services throughout Newfoundland. But when it came to defining what was meant by "basic", the most common suggestion was that all children should have access to the programs included in the Province's curriculum guides and that these programs should be of high quality. When pressed further for a definition which might be classified as "operational", there was widespread consensus that at the

elementary level, every student should have access to courses in Language Arts, Mathematics, Social Studies, Science, Religious Education, Health and Physical Education, Music, Art, and French. Industrial Arts and Home Economics were added as basic courses for the junior high school grades, while it was argued that all of the Province's high schools should offer, as a minimum, enough courses to prepare students for entry to post-secondary programs. The desirability of offering programs in the fine arts, family studies, industrial education and career education was also stressed.

Brown provided the Task Force with an outline of the programs intended in the formal statement of aims. Expressly referred to in the document as a responsibility of the school were:

1. The fundamental skills of learning, including Language, Mathematics, Research, Map, and Library skills.
2. The cultural heritage, including literature, history, science (biological, Physical, social and environmental), and the liberal and fine arts.
3. Christian principles and practices.
4. Democratic principles and practices.
5. Health principles and practices.
6. Social living.
7. Career guidance.
8. Second language.

While the formal statement of aims constitutes the major source document for school programs, Brown points out that official requirements are specified in other government documents. *The Schools Act* requires schools to teach the courses prescribed by the Minister of Education, and to follow religion courses designed by the appropriate religious denomination. Schools are also required to provide physical education for all

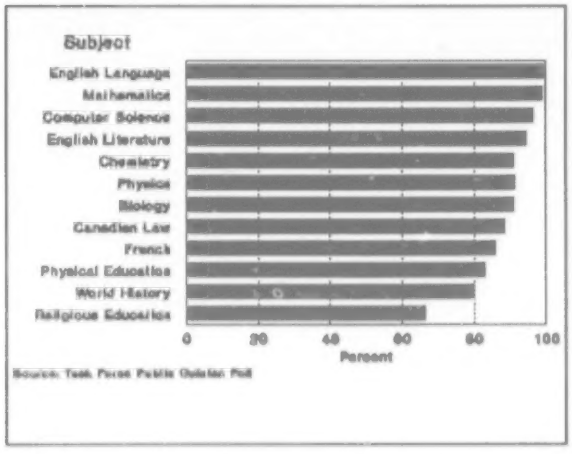
students. These requirements have the force of law, and are spelled out in detail in the *Program of Studies*, which is published each year by the Department of Education.

A brief examination of the *Program of Studies* shows that the program it describes conforms well to the statement of objectives, and that it contains few optional courses below grade nine. In senior high school a broad program of required studies is complemented by a range of optional courses to meet varying needs. The requirements for graduation are specified in the *Senior High School Certification Handbook*.

Respondents in the Task Force poll of public attitudes towards education were asked to judge the importance of twelve selected school subjects. Figure 6-1 demonstrates the percentages which considered these subjects extremely or fairly important. As expected English and Mathematics are given the most prominence, with the sciences following closely. Computer Science is given unexpected prominence and Religion is regarded as less important than the aims would suggest.

Figure 6-1

Importance of School Subjects



Having considered these various sources, the Task Force concludes that a quality basic education at the primary and elementary levels should include the following:

1. Language Arts; Emphasizing reading, listening, speaking and written communication in the English Language, and including, at the option of the district, instruction in the French language.

2. Mathematics; Emphasizing computational skills and problem solving.

3. Religious Education

4. Science; Emphasizing basic scientific knowledge and principles.

5. Social Studies; Emphasizing the history, geography, culture, and governments of Newfoundland, Canada, and the world.

6. Health and Physical Education.

7. Music and Art; Emphasizing appreciation of the arts and developing basic skills therein.

The Task Force believes that the basic program at the junior high school level should include continuing programs in Language Arts, Mathematics, Religious Education, Science, Social Studies, French, Health and Physical Education, and a required minimum of time over three years for the Fine Arts (Art, Music) and the Practical Arts (Home Economics and Industrial Arts). At the high school level a basic program should consist of selected courses in English Language, English Literature, Mathematics, Science, Social Studies, and options from Religious Education; Health and Physical Education; Music, Art and the Performing Arts; Family Studies; and French. While all high schools should offer courses to meet the entrance requirements of the various post-secondary institutions, many schools offer more than this basic program.

The obligation of the schools to provide special education programs for students with special needs are stated in *The Aims* document and in the Department of Education *Policy Manual in Special Education*. The specific content for such programs is dependent on the individual, and not prescribed for all students.

Implicit in the above statement of basic curriculum programs are adequate school facilities, learning resources, and student services, such as guidance and counselling. In order to offer quality programs in Science, Industrial Education, Physical Education, and Fine Arts, for example, adequate space, equipment, and teaching consumables must be made available. Adequate learning resources, available to teachers and students, are particularly important today if schools are to be productive and engaging places in which to work. As one brief put it, probably the most necessary and all-encompassing component to the basic educational program today is a modern library-resource center (Labrador Branch of the Newfoundland Teachers Association). This necessarily includes on-going subscriptions to educational publications for teachers and students, media publications, updated encyclopedias, a growing novel inventory, and an audio-visual center. Without this, the basic program is not going to be as successful as it should be. It might be added that to make effective use of these resources, teachers need adequate planning time and help from specialist personnel in learning resources.

Implicit in the requirement regarding special education programs are accessible school buildings, special instructional materials (including computers), teacher assistants, secretarial services, and program-related travel for both students and teachers, particularly for work placements. The demand for increased transportation services for all students (e.g. to visit a court as part of the Canadian Law course or an arts or music or physical education event) will increase in the future.

In this analysis of *The Aims of Education in Newfoundland and Labrador*, Brown commented on the issue of program delivery. He argues that the Province is obligated to try to provide for each student the means by which these aims can be achieved. This obligation involves at least the following components:

1. The provision of adequate school facilities, providing a healthful environment for the pupil. This should include careful planning for the kind of activities required to fulfil the objectives.

2. The provision of adequate teaching materials, including texts on the basis recommended in curriculum plans, and library materials sufficient to make possible the development of library research skills and to make available a broad range of cultural resources in different media.

3. A range of real materials to provide concrete experience needed for concept development and skill development. The nature and complexity of the materials would vary with grade level and subject area.

4. The provision of a reasonable number of adequately trained teachers and other support people.

Brown points out that the number of teachers required in any given situation is a subject of continuing discussion. Large pupil teacher ratios in big schools is balanced by large numbers of preparations in small schools. The province must express what it consider a reasonable limit to workload and pupil-teacher ratios and provide sufficient teacher units to keep school conditions within these limits. The smaller the numbers, the more individualization is possible, and the less the number of preparations matter. The larger the classes, the more difficult it is to attend to individual needs, and the more the number of preparations and subject areas matter.

Equality of Educational Opportunity

Equality of educational opportunity is a goal to which most members of society now subscribe. There is general consensus that every child should have access to certain minimum and reasonably standardized educational programs, irrespective of his or her needs or the size or wealth of his or her community. This does not generally mean that every student should have the same educational program, but rather that they should have the opportunity for the kind and quality of education that will support their best and fullest

development as individuals and as members of society. This right is increasingly seen as a legal as well as a moral one.

Although equality of educational opportunity is a very worthy concept, it is a very difficult one to define, particularly in operational terms. Traditionally, it was argued that equal expenditure per pupil would meet this goal. Experience has proven that spending equal dollars on students does not result in equal opportunity - that children with special needs or those fr[illegible]isadvantaged homes or communities require more help from the school than more advantaged children. We now accept that we have to spend more on students and schools where costs are high or where the home environment is not conducive to educational achievement.

School finance programs in the 1960's and 1970's emphasized equity in terms of dollars or educational inputs. This was considered equitable and was simple to administer. It was much easier to treat so-called equals equally - the horizontal approach to equity - than to treat unequals unequally - the vertical approach. It is more difficult to determine local needs, local costs, and local ability to pay and then design a grant system that acknowledges these variations, but we believe it must be done.

One of the most common methods used to improve the equity of school finance formulas in allocating funds to local districts is the use of weightings, pupil and other. These are nothing more than cost differentials injected in the formula to compensate for the additional cost of education of some students because of such things as isolation or special needs. Weightings, therefore, are used to recognize the disadvantages students suffer and the higher cost of their education. This is particularly beneficial to high-cost programs that are often the first ones to be reduced or deleted when school revenues are reduced.

The problem of providing greater equality of educational opportunity for students in smaller schools is a major one. Small schools do not have the economies of scale possible for large schools; therefore the cost per pupil for an equivalent quality of

education is higher than in large schools. This is particularly true of high schools. Small high schools cost more per pupil than larger ones, primarily because they must be operated with lower pupil/teacher ratios than in larger schools in order to provide the educational programs needed. The challenge is to develop a grant system that makes allowances for the necessary extra costs of such schools, carefully avoiding the subsidization of unnecessarily small schools.

Brown made a number of observations concerning equality of educational opportunity in Newfoundland and Labrador. Below are quoted several paragraphs reflecting his conclusions.

> The Province of Newfoundland has had great difficulty in providing a common standard of education for all students. Larger centers of population have usually maintained better systems, since they could provide more resources and until recent years could attract better teachers. The advent of school tax accentuated the differences especially as its growth was accompanied by increasingly stringent provincial budgets. The problem is aggravated by the tendency of parents in larger centers to expect a higher standard of education. This is changing and as it does continued efforts to overcome these problems will be required.
>
> Another problem is the provision for all schools of teachers with appropriate training for the wide range of subject matter specified in *The Aims*. There has been a tendency to consider subjects such as Art, Music, Industrial Arts and Home Economics as specialist subjects requiring extensive training. Teachers trained in narrow specialties are not suited to small schools where they must teach a broad curriculum, and the geography of the province makes an itinerant service to small schools impractical in many areas.
>
> It is clear that *The Aims* make no distinction between large schools or small schools, nor should they. The objectives of education for the province should define the kind of education to be available to all young people. Local enrichment of the program should be possible if the community is prepared to fund it, but democratic principles require that funds administered by the province be spent in ways that provide comparable standards of education for all children. . . .
>
> . . . small schools have no different obligations than larger ones. Schools are all obligated to provide the prescribed program. With the exception of French, this is intended to be a standard program for all

students up to grade nine. Above grade nine, there exists a variety of courses, some of which are required, and some are optional. Small schools would find that some of the courses would not be in demand, but this would not remove the obligation to try to make available to all students the courses they wish to study. This becomes a difficult, if not impossible challenge where it might become necessary to offer individualized instruction for many courses. No doubt there are practical limitations to the capability of the schools, but we will not obtain the greatest productivity unless we seek ways of doing things suited to the school situation.

One of the greatest problems has been school construction. Funds for this purpose are required by law to be given to groups of parents on a non-discriminatory basis. However, this has been interpreted to mean that provincial money is given to the major denominations, who distribute it according to their own priorities. No requirement exists that they also distribute the money on a non-discriminatory basis. The indirect distribution of provincial money has allowed the government to avoid responsibility, although the increasing sophistication of the electorate makes this increasingly difficult.

Standards of school construction have varied widely. Larger communities have required higher standards of construction and so have required greater amounts of construction money. Funding by denomination meant that needs were not uniformly met, and standards can vary between denominations, or between boards. For some communities, federal funds were made available which allowed the construction or more sophisticated schools than would have otherwise been possible. While this can be seen as a benefit, lack of foresight resulted in schools which took a disproportionate share of operating grants, producing greater inequalities.

In briefs and oral presentations, the Task Force heard a great deal about the inequality in educational opportunities throughout the Province. Evidence was presented that programs and services provided by the school districts in the Province vary tremendously from district to district, not only in quality, but also in comprehensiveness. Indeed, there are wide variations in the programs and services available within districts as well. The Task Force heard of the existence of scores of school buildings that were obsolete in terms of today's needs, the absence of instructional materials and supplies in many schools, the lack of specialist services in many areas of the Province, the narrow

curriculum offerings in many high schools in particular, and the high dropout rates and low achievement levels in some areas. Every effort must be made to remove these deficiencies.

There is one additional observation that should be made even though it might appear repetitive. The equality of educational opportunity principle has a national as well as a provincial application. The Task Force received a number of recommendations urging the Province to increase its spending per student to at least the Canadian average. There were suggestions that the Provincial Government should be committed to the proposition that students in all communities are entitled not only to educational programs equal to the best now provided in the Province but second to none in the nation. The Newfoundland Teachers' Association, in particular, stressed that although financing elementary and secondary education could be argued to be a provincial rather than a federal responsibility, political and legal perspectives now demand some kind of equalization of opportunity among provinces. While the Task Force supports this view, its recommendations will focus on funding greater equalization within the Province.

In summary, the Task Force accepts the principle that every student should have access to an instructional program suitable to his or her learning potential. In other words, basic curriculum programs, facilities, and learning resources should be of similar breadth and quality from one school system to another. Every effort should be made to ensure that environmental factors over which the child has little control (sparsity of population, local wealth, and so on) do not create barriers to the full realization of the child's potential.

The Task Force wishes to stress the word access in the above statement. Access to quality programs and services should be made available wherever possible at the individual school level. Some expensive programs and services may only be possible if individual schools share resources - for example, expensive science facilities, pre-vocational facilities, itinerant teachers in specialized areas, or space specially designed for students with very special needs. At the school district level, sharing may have to be expanded to include more specialized personnel and facilities such as instructional materials centers. In other words, certain types of programs, facilities and services may only be available to

students on a regional basis. And finally, there may be some programs and services that may have to be offered at the provincial level, such as bursary programs and distance education programs. The Task Force wishes to emphasize, however, that its proposed funding program must have as its primary goal the provision of quality education for all at the community level. It believes that it is unfair for one child, because of chance, to have access to a better education than another.

The Task Force wishes to acknowledge the important initiatives already taken by the Province to provide greater equality of educational opportunity. Teacher allocations are made on a province-wide basis, with provision for extra units for small schools and students with special needs. The Province pays the full cost of teacher salaries. All students are provided with the necessary texts on an equal basis. As already noted, there are some adjustments in the grant system for the extra cost of heat and light in certain areas. The Province is considering full funding of school transportation costs. And the school tax equalization grant, when fully implemented, will provide a high degree of horizontal equity. There are very important initiatives in the search for equality in education.

We acknowledge the difficulty of defining educational need and cost. It is difficult to be precise in calculating the differential costs of providing equality of educational opportunity. Despite these problems, however, The Task Force believes that this approach is a move in the right direction.

Guidelines for the Review

The Task Force has identified a number of guidelines that provide a framework for its proposals. These guidelines will result in a new approach to school board operational funding, rather than a revision of the current system. Included are the following:

1. Substantially more money will be required for school board operational costs if quality basic educational programs and services are to be provided for students throughout the Province. Experience has shown that equalization must take place on a rising tide where all school districts gain, some much more than others.

2. The Provincial Government should continue to finance a high proportion of school board operational costs in the Province.

3. The school tax system should be reformed in order to improve taxpayer equity and increase the efficiency of the entire system. Full school tax equalization should be implemented so that the revenues available to school districts from local sources do not depend upon accidents of geography, political boundary decisions, choices regarding the location of business and industry, or the income of individuals in the community served.

4. The Provincial Government should ensure that modern school facilities and learning resources are made available throughout the province so that quality basic programs are possible.

5. Greater fairness and equity can be built into grants for school board operational costs by taking into account the varying needs of individual school districts, the varying costs of meeting these needs, and the ability of school districts themselves to raise revenues locally. Smaller schools in sparsely populated areas, for example, require higher expenditures per pupil for the same programs, facilities, and services than larger schools.

6. While most funding for school board operational costs should be provided through general-purpose grants to enhance local autonomy, certain categorical grants may also be used to encourage the development and expansion of selected programs and services.

7. Before new educational programs and services are mandated by the Province, they should be costed and provisions made for their funding through the grant system.

8. Safeguards against the sudden loss of revenue by school boards because of declining enrolments should be continued.

9. The grant system should encourage efficiency and accountability in education.

10. The grant system should encourage interdenominational sharing in program and geographical areas where it can be demonstrated that basic educational programs and services may be provided more efficiently.

11. School-based fundraising should continue as a source of revenue for education, but it should not be expected to provide funds for basic equipment and supplies.

12. The grant system should be reviewed and evaluated on an annual basis, using computer technology. Grants should be indexed according to the increase in the local Consumer Price Index or possibly a provincially-developed Education Price Index.

Chapter 7

FINANCING CENTRAL OFFICE ADMINISTRATIVE COSTS

Our study and analysis of school board expenditures in the Province indicates that the cost of operating and managing school systems seem to naturally fall under four different headings. They are:

1. The administration of central office
2. The delivery of instructional programs
3. The operation and maintenance of school buildings
4. The provision of special education services

It was interesting to observe that a surprisingly large number of school boards suggested that these four areas could constitute the major components of a provincial grant system. The division of the operational budget into these components would have several advantages. For example, it would place more emphasis on the importance of instructional matters, some of which tend to be neglected in the struggle to balance school board budgets. And it would make it possible for the Department to adjust operating grants to better reflect actual needs and costs. The Task Force considers this proposal a reasonable compromise between the present single basic grant and a larger number of smaller grants which might prove more cumbersome and which might have implications for school board autonomy depending on how many are earmarked. Having considered this our first recommendation respecting a funding formula is therefore as follows:

Recommendation 7.1

We recommend that in determining the level of funding necessary for school boards to operate quality programs, the Department of Education use four major components--Administrative Costs, Instructional Costs, Operation and Maintenance costs and Special Education costs.

In this chapter we consider the first of these major components, the cost of administering the central office. Basically, these costs include the salaries of non-instructional staff, office supplies and school board meetings, and utilities and rentals. The salaries of superintendents, assistant superintendents and other supervisory staff, and their travel expenses are considered instructional and are not included in this area. First we review some of the information and suggestions from school boards regarding administration costs, and identify some of the issues they raised. Then we discuss a number of alternative solutions for these problems and conclude with our recommendations for costing this aspect of school board operation.

At this stage in our discussion we should emphasis that we are considering the amount of funds necessary for school boards to operate and not the amount to be paid out in government grants. In calculating government grants the amounts of funding determined should be reduced by the amount which can be raised through school taxation. This is explained more fully in Chapter 15.

Problems

Generally the submissions from school boards did not highlight any great number of difficulties in this particular area. Perhaps this is because the financial problems associated with administering the central office are relatively insignificant compared to those experienced in providing buildings and facilities, equipping them with necessary resource materials and supplies, and offering an acceptable range of educational programs. However, a number of administrative matters were brought to the attention of the Task Force.

About half of the school boards indicated that finding sufficient funds to pay the salary of a business manager and other essential staff was a matter of some concern. The concern was expressed, for the most part, by small school boards which require essentially the same basic administrative staff as much bigger boards. This places an unfair burden on them when they receive the same per pupil grant as bigger boards, but have

fewer students. However, as the report shows later, the actual expenditure figures for school boards show only a slightly higher per pupil cost for smaller boards. This is no doubt because most of them could not afford to appoint the required number of personnel, or obtain the desirable level of expertise.

A number of school boards suggested that the Department of Education should stipulate minimum qualifications for business managers, and should pay their salaries in accordance with a provincial salary scale. One of the boards advocating this procedure was the Gander-Bonavista-Connaigre Roman Catholic School. In its brief it stated:

> The business manager is obviously any school board's very important financial adviser. To attract properly qualified people to these positions a good salary must be offered. At the moment the business manager's salary comes out of general revenue. This salary should be paid by the Department of Education in the same way that superintendents and assistant superintendents are paid. It must be recognized that business managers are more than bookkeepers and accountants; they are an integral part of the board's financial management and planning.

The majority of boards addressing this issue however, suggested a special allocation, apart from the basic operating grants, to assist boards in paying the salaries of business managers and meeting other central office costs. The observation of the Exploits-White Bay Roman Catholic Board seems to represent the view of these boards. The following quotation is taken from its brief to the Task Force:

> For years a case has been made to have a grant to school boards to help defray the administrative costs of running a central office. One of the most substantial costs is the salary of the Business Manager. In addition, there are costs for support staff, equipment (computers, copiers, typewriters, etc.), furniture, supplies, etc., which increase but should not really be tied to a per pupil grant in an area of pupil decline.

Although not of consequential significance to most school boards, several referred to the high cost of conducting school board meetings. As might be expected these boards were generally operating in the most rural regions of the province, but there were exceptions. For example the Gander-Bonavista-Connaigre Roman Catholic School Board reported as follows:

> School board meetings are an expensive item for us. When Trustees have to travel for any reason - School Board meetings, committee meetings, seminars, meetings of the Roman Catholic Association, meetings of the Newfoundland and Labrador School Trustees' Association, etc., - the costs are high.

The boards encountering the most severe problem in conducting meetings were those with responsibility for operating schools in Labrador. These school boards could only function by limiting the number of board meetings and by operating through a committee system with administrative responsibility delegated to regional areas or communities. The unique difficulty facing these boards was succinctly described in an extract from the brief submitted by the Labrador Roman Catholic School Board. The brief stated:

> School Board Meetings: As air travel and overnight accommodations became more expensive and funding deteriorated, School Board Meetings could only be made affordable by reducing the membership from seventeen to twelve and limiting the number of School Board Meetings to four per year. Given increased activity at all educational levels in the province and modern day demands for policy, programs, parental participation and public accountability; additional funding will have to be secured to facilitate an appropriate revision of this unsatisfactory situation.

Vinland School Board, which administers a number of schools on the coast of Labrador, reported similar difficulties:

> The present allocation for board member travel is inadequate. It does not include enough funds to hold board meetings in various communities throughout the district. Virtually all board meetings are held in St. Anthony. Also, it would be helpful, as per our Constitution to have a board meeting a month. However, we have at most five (5) or six (6) a year.

The Task Force engaged the services of George Whey, Chartered Accountant, to analyze the variations in cost in three of the four areas listed above, namely administration, instructional programs, and operation and maintenance. In his report (Whey, 1989), he noted that very few boards sponsored trustees to attend provincial or national conferences other than annual general meetings of trustees' associations. He reported that the bigger and, presumably, more affluent boards consistently sponsored trustees to attend major conferences. The reason given in most cases was that funds were not available, or other business took precedence over such conferences. It is unfortunate if school trustees find it impossible, due to lack of funds, to interact with their colleagues in other parts of the province and country. Such interaction is necessary, not only to share information, but to encourage trustees keep abreast of current developments in Canadian education.

In analyzing school board expenditure, Whey subdivided the central office administration costs into three categories. The first included office supplies, postage, telephones, bank charges, advertising, professional fees, membership fees, travel, and board meetings. The second category included utilities, insurance, maintenance, municipal fees, rental of space and equipment, and relocation expenses. And the third included the salaries and benefits of non-teaching staff. A per pupil breakdown of costs for each category for the year 1987-88 is given in Table 7-1. The boards were grouped in order of size, as determined by enrolments, except for the three Labrador Boards and the Seventh Day Adventist, which were excluded from the analysis because they receive extraordinary revenues. This was noted in our analysis of school board revenue and expenditure in Chapter 5. Some of the special problems facing these and other boards will be dealt with in Chapter 12.

An examination of the data given in Table 7-1 indicates that in the first category there was wide variation in costs between small boards and bigger ones. The average per pupil costs for boards with less than 2000 pupils was $27 for boards with 2000-

Table 7-1

A Breakdown of Certain Administrative Costs by School Board and Category of Expenditure for 1987-88

	School Board	Per Pupil		
		Cat.#1	Cat.#2	Cat.#3
<= 2,000	Vinland	$32	$5	$52
	Cape Freels	23	5	45
	Bay d'Espoir-Her.-F. Bay	29	7	29
	St. Barbe South	26	6	30
	Conception Bay Centre	26	9	43
	Avg. Cost	27	6	40
2-4,000	Strait of Belle Isle	27	2	33
	Deer Lake	20	4	33
	Green Bay	21	8	36
	Notre Dame	14	5	37
	Burin Peninsula Int.	29	5	39
	Port aux Basques	21	11	34
	Conception Bay South	10	6	32
	Bay St. George	40	9	16
	Conception Bay North	30	7	38
	Exploits White-Bay	24	5	41
	Ferryland	16	3	31
	Gander-Bon.-Connaigre	21	6	33
	Placentia-St. Mary's	17	3	31
	Port au Port	30	12	29
	Avg. Cost	23	6	33
4-6,000	Exploits Valley	21	7	36
	Bay of Islands-St. Georges/B/R	18	7	24
	Burin Peninsula RC	24	5	36
	Humber-St. Barbe	23	3	34
	Avg. Cost	21	6	31
> 6,000	Terra Nova	17	4	31
	Bon.-Tri.-Pla.	21	5	36
	Avalon North	20	4	31
	Avalon Consolidated	10	9	24
	Pentecostal Assemblies	15	2	27
	St. John's	17	9	48
	Avg. Cost	16	6	35
	Labrador East	47	16	49
	Labrador West	23	22	100
	Labrador	39	20	82
	Avg. Cost	37	19	77
	Seventh Day Adventist	41	63	100

Cat.#1 - (Office Supplies, Etc.)
Cat.#2 - (Electricity/Fuel/Maintenance, etc.)
Cat.#3 - (Salaries & Benefits)

Source: The Whey Report

4000 pupils it was $23 whereas it was only $16 per pupil for boards with enrolments over 6000. While there were wide variations in the per pupil amounts in category 2, they didn't appear to be influenced by the numbers of students enroled in the district. The average costs was $6 per pupil for small boards and $5.50 for those with enrolments in excess of 4000. In category 3, the per pupil costs were $40 per pupil for boards with less than 2000 students; the average was around $33 for boards with bigger enrolments.

The foregoing analysis of data shows that there is a relationship between the size of the district and costs in categories 1 and 3. These variations should be reflected in a funding formula.

In addition, Whey also included a fourth category-Miscellaneous - in his analysis of central office administrative costs. He found that the amount spent by boards varied considerably, but that may not be significant because the amounts were small. The average for all boards was $2.50 per pupil in 1987-88.

Alternative Approaches

Throughout this Report we have kept emphasizing the principle that in order to equalize educational opportunity government grants must compensate for unequal circumstances. Costs vary from one district to another, so does the ability to raise money locally. This point was made by many school boards but summarized most succinctly in the brief prepared by the Green Bay Integrated School Board:

> In a province as demographically, geographically and economically diverse as Newfoundland, education cannot be financed by one simplistic formula which applies to all areas and to all levels. High school education is more costly than elementary. All-grade schools are more costly than high schools. Small schools are proportionately more costly than large. Northern boards share higher costs than southern. Isolated schools are more costly than adjacent. Rural and urban schools have different problems. Unemployment, income,

industrial and commercial activity, growth, decline, poverty and affluence vary considerably throughout the province. This may never change, if it does, such change will come slowly.

If the equal per pupil grant-horizontal equity-does not provide equality in educational services, what are the alternatives in funding school board operations? In an attempt to relate grants to cost, the Task Force considered three other general approaches to determining funding levels for school boards. They are:

1. The resource cost model
2. Negotiated budgets
3. The weighted unit

The resource cost model was developed some years ago in the United States and is currently undergoing a great deal of study among experts in educational finance. The model has been adopted in British Columbia and is under consideration in one or two other Canadian provinces. Simply stated, under this approach, the programs offered and the level of services are specified or approved by the department of education. The department develops a cost of education index analysis through a survey of local market conditions which indicates the price in each district of all the resources necessary to implement the approved program. According to Dr. Stephen Lawton, "In RCMs, funding levels for particular programs are based on the price of various educational inputs at the local level, and the amount of those inputs needed to provide a specified level of service." (1987, p.46)

The major advantage of resource cost models is that they determine a level of funding which better reflects the actual needs and costs in school districts. However, there are several disadvantages which should be noted. First of all, it is extremely difficult and time consuming to actually determine fair market prices in each district. Secondly, the experience in other educational jurisdictions indicates that the administration of resource cost models is an extremely complex procedure. And, finally, this approach is seen to

centralize too much power in departments of education, thus, reducing the autonomy of school boards.

The Task Force received briefs from at least two school boards recommending a grant system based on program costs, which may be considered a variation of the resource cost model. However, this approach was rejected by the Task Force because of the disadvantages outlined above, and because the Province does not yet have an adequate data base on which to develop this kind of system.

The second approach considered for determining funding levels was negotiated budgets. If this approach were used, school boards would submit their budgets to the Department of Education for approval each year. The Department would approve each item of expenditure based on provincial guidelines or historical data showing actual expenditures over a period of time. This approach would have the same advantage as the resource cost model in that grants for boards could be based on needs and costs. However, the concept of negotiated budgets presents a number of potential weaknesses. This approach would require the establishment of a departmental mechanism to undertake the difficult process of scrutinizing all the school board budgets in the Province. Secondly, there is the inherent possibility that the negotiating process itself might become a political exercise and the most skilled negotiators might achieve the best results. This potential for political interference could lead to more inequality in the system than now exists. And, thirdly, negotiated budgets, like the resource cost model, could lead to a serious reduction in the decision-making powers of school boards. Most advocates of local autonomy consider this a major problem.

Several school boards recommended negotiated budgets in both their written and oral presentations to the Task Force. However, an equal or greater number advised very strongly against them. While the Task Force appreciates the advantages of negotiated budgets, it feels that the disadvantages inherent in that approach are too serious for us to consider it as a basic method of school board funding. However, we do not rule out the

possibility of using this approach for some minor aspects of the budget if no other method of costing proves entirely satisfactory.

The third approach considered was the weighted unit in which units used to determine grants are weighted to reflect variations in needs and costs from one district to another or, even, from one school to another in the same district. The weighting can apply to grants issued on a number of bases, for example, per pupil, per school, or per district. The major weakness in this approach is that even though it is designed to reflect needs and costs, it is extremely difficult to do so in a precise manner for most major areas of the budget. On the other hand, varying needs and costs can be recognized to a reasonable extent, the weighted formulas are simple to administer, they treat all school boards objectively, and preserve the autonomy of school boards, especially if the number of categorical grants is kept to a minimum.

The Task Force favours the weighted unit approach or some variation of it in determining the level of funding for school boards, and it is this approach which underlies many of the recommendations made regarding operational grants in this Report. It is evident from the submissions received that the majority of school boards also favour this approach even though a number recommended some version of the cost resource model as we indicated above.

Funding Proposals

In Table 7-1 we saw that the average per pupil costs in category one related to office supplies, meetings, etc., varied from $16 for the bigger boards to $27 for the smaller ones, excluding the Labrador boards and the Seventh Day Adventist. Whey suggested the following per pupil formula could be used to reflect these figures:

The first 2000 pupils	$27 per pupil
The next 4000 pupils	$20 per pupil
The remaining pupils	$15 per pupil

The Task Force believes the allocation formula in this category should reflect the variations associated with student enrolment. However, in view of *The Schools Act* requirement that each school district have a minimum of 2,000 pupils (although circumstances may make it necessary for one or two smaller boards to continue by Ministerial Order), and the current proposals to consolidate smaller school boards, it feels that it would be unwise to give special consideration to a class of boards with fewer than 2,000 pupils in the funding formula. Recent expenditures would suggest a grouping of boards with enrolment under 6,000 and boards with enrolment over 6,000.

Moreover, in calculating levels of funding, the Task Force would prefer to use blocks of pupils rather than individuals because this approach would have a stabilizing effect on grant allocations in a period of declining enrolments. We are proposing, therefore, that units of 50 be used and this procedure is followed wherever applicable in all our recommendations regarding the new funding arrangement, except for special needs.

In preparing a formula for this category of administrative costs, the Task Force feels an increase in funds is needed to increase the number of school board meetings and trustee participation in in-service programs. By allowing for this increase and by assuming that the rate of student decline will average 2 percent per year, while costs in this particular area continue to rise an average of 8 percent per year, we arrive at the following recommendation with amounts for the fiscal year 1989-90.

Recommendation 7.2

We recommend that the approved level of funding for office supplies, maintenance, etc. in the administration component for 1989-90 be:

> An amount of $1400 for each unit of 50 pupils or fraction thereof enroled in the first 6000, and $1200 for each unit in the enrolment in excess of 6000.

Table 7-1 shows that the per pupil cost for category 2 (Utilities, Maintenance, etc.), averaged $6 for all boards, excluding the Labrador boards and Seventh Day Adventist board, with only minor variations. It is, therefore, unnecessary to differentiate per pupil grants for school boards for this category. Our proposal would have to take into account a 5 percent increase in annual cost, based on data for the past two years and a student decline of 2.0 percent per year. If we add to this an amount for miscellaneous cost which did not appear to be related to the number of students enroled, we conclude that an appropriate amount for 1989-90 would be about $10 per pupil. By applying the block of 50 pupils per unit, we arrive at the following recommendation for 1989-90:

Recommendation 7.3

We recommend that the approved level of funding for utilities maintenance, etc. in the administration component for 1989-90 be:

An amount of $500 for each unit of 50 pupils or fraction thereof enroled in the district.

With respect to category 3 (Salaries and benefits of non-teaching staff), the variations in costs between the bigger and smaller boards, as shown in Table 7-1, may be less than expected. This is probably because many of the smaller boards do not have the desired level and amount of expertise required in their central offices as we noted earlier. Each board, regardless of size, requires a business manager, an accounting clerk and an executive confidential secretary. And we wish to add, business managers should be required to have certain minimum qualifications specified by the Department of Education. This adds up to additional costs for school boards.

We agree that the salaries of basic central office staff could be funded by the department in the same way as instructional staff, as suggested by some boards, but, in accordance with the general approach we selected earlier, we prefer a less categorical grant for this purpose. We are proposing a basic allocation of $120,000 for each school board

meeting the minimum enrolment requirements stipulated in *The Schools Act,* with additional consideration for bigger boards. For those boards operating under special Ministerial Orders as continuing under Section 4 of *The Schools Act,* we propose a grant to boards on the number of students enroled.

Recommendation 7.4

We recommend that the approved level of funding for salaries and benefits in the administration component for 1989-90 be:

An amount of $120,000 or $2,000 for each unit of 50 pupils or fraction thereof enroled, whichever is greater, for all school boards having enrolments of 2,000 or more, and an amount of $2,000 for each unit of 50 pupils enroled for all other boards.

Chapter 8

INSTRUCTIONAL COSTS AT THE DISTRICT AND SCHOOL LEVELS

Introduction

The second major cost area identified by the Task Force in analyzing school board expenditure, instructional costs, is discussed in this chapter and the next. Within this area, five cost categories were identified, each posing problems in providing materials or support for the instructional process. These cost categories are:

1. Professional staff travel.
2. Library resource materials.
3. General supplies and classroom materials.
4. Purchase, repair and rental of furniture and equipment, and
5. School secretarial services.

In the past there has been no consistent pattern of funding for instructional costs. Generally speaking, the school boards have been expected to meet travel costs and cost of secretarial services from the operating grants or local taxes, and such cost factors were not considered in the determination of the grants given. Library resource materials, on the other hand, have been the object of special funding for a long time, and there has been considerable effort to promote library services. Classroom materials and other supplies have generally been regarded as the school responsibility, but the Department has supplied or subsidized the main classroom material, the textbook, and other classroom materials such as records, art prints, science materials, and mathematics manipulatives considered essential to new programs have been supplied from time to time through the School Supplies Section. Science kits and specific equipment have been provided at reduced costs. In the main, however, this system has only been applied to crucial materials, and the major costs have come from general operating funds. The purchase, repair and

rental of furniture and equipment have been funded solely from operating grants. School secretarial services have generally been ignored in government funding and boards have been funding costs from operating funds or local taxes. Items 4 and 5 have never been specifically provided for in the funding formula, and boards have been attempting to provide these services from general revenues.

This chapter reviews the problems raised in presentations and briefs concerning instructional costs and describes alternative courses of action. We conclude with the recommendations of the Task Force.

Current Problems

The Task Force was able to identify a number of themes running through the submissions received. The major one was the general under funding of the system, which has already been discussed. In such a situation the instructional costs appear discretionary, while such costs as heat, light and snowploughing seem required.

Required Costs

The briefs pointed out that certain operational costs get first demand on school board funds: heating, light and essential maintenance. When financing is so low that these costs are difficult to meet, instructional needs cannot be adequately addressed.

> Our obligation to retire our DREE debt, our emergency maintenance requirements and our heavy operational costs of energy inefficient buildings have forced us to redirect monies designated for educational resources. As a consequence, our libraries are outdated, poorly stocked and badly equipped. This is most disheartening in view of our Division of Curriculum and Instruction promoting resource-based instruction as a means of maximizing student academic growth.

> Our limited resources have stymied our ambitions to provide computer and audio-visual aids for our students. Our dollars have to be directed to those basic electricity needs of heat and light. (Bay St. George R.C. School Board)

The problems are so severe that, in the absence of monitoring by the Department, even the designated grant for libraries is in many cases used for such required expenses. The main question raised for the Task Force is whether certain expenditures should be earmarked to prevent the money being spent for non-instructional purposes.

Local Fund Raising

The inadequacy of funding has caused a major change in local fundraising. Traditionally, school based fundraising has been for support of extra-curricular activities and for enrichment of the school program. As already noted such fundraising now is primarily used for what is normally regarded as basic curriculum support (Table 5-9). The presentations received clearly indicate that the funds raised by individual schools should not be used for such basic needs. We find ourselves in total agreement with this position. Typical comments are:

> Fund-raising for basic educational curriculum, tools, facilities is abusive to begin with. Students have enough to do without being asked to buy and sell to finance their own education. In small communities there is even more pressure on students to be involved in fund-raisers but if every solitary student was an accomplished sales person there still would not be enough in the till to finance the basics in their small communities. (Labrador North Branch - NTA)

> However, there is one aspect of school-based fundraising that is becoming cause for increased concern; and that is the prevalence of school fundraising for basics and essentials rather than for student activities and the schools dependence of this source of funds for such items. For exampie, many schools are now using fundraising to pay for such items as paper, copiers, instructional supplies, equipment needed for courses, etcetera. This is a cause for great concern and points once again to the inadequacy of the operational grants being provided to school boards for the provision of such necessities. The teacher and student time and effort that is expended on fundraising for co-curricular student activity is extensive of itself. But when

> such time and effort must be expended to simply put the essentials of instruction into our schools, it is time for a serious questioning of the adequacy of operational grants to school boards. (Newfoundland Teachers' Association)
>
> In the current age of computers, our school cannot boast of even a single workable minicomputer. Schools cannot and, should not, be expected to raise funds to provide computer equipment for the students to use. It is at this school age that students should get their first exposure to computers but, this can happen only when government provides adequate funding to all schools. (R.T. Harvey, Home and School Association)

In addition to these two points, the Task Force noted three points dealing with problems related to grants structures which have to do mainly with the general inadequacy of finances.

Varying Conditions

Many submissions stressed the need for the operating grant to take into account the cost of providing instructional services and resources in districts with widely varying conditions. Perhaps the most graphic description of the problem was provided by the Green Bay Integrated School Board when it compared the geographical and demographic characteristics of its district with another, with a similar student population. The data contained in Table 8-1 reflect the differences. The brief points out that the Green Bay District must provide, equip and maintain 26 libraries, 26 laboratories, 26 gymnasiums, 26 water and sewer systems, 26 magazine subscriptions, 26 snowclearing operations, 26 basic telephone systems (with 20 of these involving long distance charges), and 26 heating systems, while the other must provide, equip and maintain seven in each case. The cost of in-service education, program co-ordinators' travel and administrative travel can be multiplied by 12 in the former board over that of the latter, while the cost of long distance telephone calls can be multiplied by 100. Yet, each board receives the same basic income by way of the operating grant. The same comparisons can be made for other per-pupil grants with the $8 library resources grant being the best example. The 18 kindergarten to grade 6 students in Ming's Bight require the same basic library materials

as the 300 kindergarten to grade 6 students in Springdale, yet their respective enrolments generate $144 and $2,400 annually in library resources grants. The 320 kindergarten to grade 12 students at King's Point School require much broader library resources than the 320 grade 7 to 12 students at Springdale High School, yet they generate the same library resources grant.

Table 8-1
District Comparisons

Variable	Green Bay	District B
Total Student Population	3166	3374
Number of Schools	26	7
Average School Population	122	482
Distance Between Extreme Schools(Miles)	150	20 (approx)
Miles Connecting All Schools	303	21
Miles of Dirt Road	100	0
Isolated Schools	2	0

Source: Green Bay Integrated School Board

The Green Bay Board also noted that the more severe climate and topography of Green Bay and the lower unemployment and higher average income of the area served by District B also invited comparisons, but the hard data available on other variables were sufficient to point out the gross inequity of expecting Green Bay to provide a level of service equal to that of the latter on the same basic revenue.

The implications of varying conditions for instructional costs will be seen to affect most strongly the provision for travel and resource materials.

Resource Based Teaching

All teaching must be resource based; however, this term has come to describe a kind of education where the major resource is supplemented or replaced by a wide range of other materials-preferably primary sources. This wider range of resources has major advantages and has been promoted as one advocated for many of our school programs. It

is not a new approach, as the limitations of total dependency on a single text has been discussed for many years. It appears that the educational system is now committed to this approach, and finds itself handicapped by the need for more resources during a period of restricted budgets. This problem was presented by many of the submissions received:

> The resource based teaching movement has been endorsed in the Province and in our board. How do we really operationalize a philosophy which has significant cost implications without the reasonable cost assistance being provided by the Government. We always accept our responsibility to stretch the dollar. However, the principle of elasticity has built within its inherent theoretical design the further principle of total distortion and destruction. (The Avalon North Integrated School Board)

> In this province there appears to be a dichotomy. On the one hand, the Department of Education, through the curriculum division, has in many forms endorsed a method of instruction that is resource-based. This approach requires the presence of a multiplicity of resources. On the other hand, decision makers who provide funding at the Department, DEC, and School Boards are not providing the funding for facilities, library personnel, or resources in order to effectively implement the programs. The teacher is caught in the middle. He is asked to adopt an approach in providing learning experiences for his students, yet not provided with the resources to do so. As a result, teachers have relied on the textbook as the sole source of information, thus negating the approaches outlined by the department guides. (Winston Lane-Coordinator Learning Resources)

The chief means for supporting resource based teaching is the school library. In 1987, Belbin prepared a comprehensive analysis of school library services in the Province. He concluded that while these services vary greatly across the Province, in many instances they are practically non-existent. (March, 1987, p.54) Reasons for the disparities and general lack of school library services include the absence of staff, lack of funds, small schools and small school districts, and the lack of emphasis on this issue at the provincial, district and school levels.

While many fine libraries do exist, submissions presented a bleak picture for many schools.

> The school does not have a library resource center, an absolute necessity if the new primary and elementary programs are to succeed. If students have no access to proper library facilities, it is a waste of time to teach them how and where to find answers for themselves.(R.T. Harvey, Home and School Association)
>
> I would like to be able to show you a new library that has everything except books, or a library that is now used as a classroom because of the cuts that were made to save money. So, here we are, in a new school and the only time students can use the library is recess time and lunch time. This is a disgrace. (Wayne Strickland)
>
> The heart of the whole program of resource centre services is how much quality information can be provided for students. Some Newfoundland households have better libraries than some of its schools. (Terra Nova Integrated School Board, Library)

It appears that school boards are correct in identifying the lack of funds for instructional resources as a major obstacle to improvement. Without resources, the school will be the poorest environment for learning that the child enters.

The development of more resource based teaching will affect most of the instructional areas. Inservice will be required to help promote valid practices, greater demands will be made on library resources, and more varied classroom and laboratory resources will be needed. A range of equipment for instructional purposes will be in demand. The provision of adequate library resources is discussed in more detail in the next chapter; the other issues are dealt with below.

New Programs

The presentations contained many criticisms of the Department for mandating new programs without providing the necessary funding for their implementation. The lack of specific attention to this area in grants allocations to school boards, and the specific funding made by the Department (for example, in the case of the Reorganized High School Program) appear to have resulted in a demand for more direct funding of the

implementation costs of new programs. While the Task Force has noted a tendency to identify as new, revisions of existing programs, such recent initiatives as the Reorganized High School Program and the Intermediate School Report have placed great pressure on schools to broaden their course offerings, and resulted in stronger demands for adequate funding.

School boards presented a consistent picture of financial inability to meet the cost demands of the developing curriculum. The following quotes indicate the kinds of problems they face:

> Several of the courses in the reorganized high school program require expensive consumable materials and schools have found it necessary to charge students a user fee. This is particularly the case with courses in the area of Fine Arts, Practical Arts, and Science. To illustrate, the average cost per student in the Woodworking course if fifteen dollars ($15.00) and the Home Maintenance Course is costing about twenty dollars ($20.00) per student.
>
> In this district, the cost of providing computer hardware for instructional purposes (minimum standards) would be in the vicinity of one million dollars. An additional two hundred thousand dollars is required if microcomputers are to be introduced for the purpose of school management. Clearly, this is beyond the means of the Board. A small amount of money has been provided by the Board and some schools have managed to acquire one or two computers through sales of chocolate bars and other related activities. An intolerable situation in this period of activity!
>
> Finally, the proposed reorganization of the junior high school curriculum will impose a severe financial burden on this school board. Our elementary schools do not have facilities for programs such as Art, Industrial Arts and Home Economics. A detailed study conducted two years ago revealed the impossibility of providing facilities in all schools. Consequently, steps were taken to reorganize the schools; for example, some grade nine students are now housed in senior high schools. But, in spite of this and other efforts directed towards cost reduction, the board cannot finance the proposed program. (St. John's R.C. School Board)
>
> In a high school Art program, permanent art equipment such as a printing press, kiln, or darkroom equipment is often required. The cost of initiating an Art program is likely to be prohibitive. (Heather Moore, Art Consultant)

Art and Music programs also require costly facilities, materials/instruments at least in the initial stages. In Music, for example, there is often an inadequate number of instruments for the instrumental strand. Students must raise funds for these instruments, pay rental fees and in the case of Senior High schools, each student must purchase his/her own instrument if that student wishes to continue with instrumental performance. This often limits the program to those who can afford it, or forces students and parents to relinquish their dignity and say that they can't afford this program. If such programs are part of the regular school curriculum then they should be available to all students who choose the program. To ensure equality of educational opportunity, sufficient initial and replacement funding must be available for all programs. (Coordinators Special Interest Council - NTA)

There are two aspects of this funding problem (for industrial education); one, initial start-up funds are often not sufficient to provide a minimum standard program; and two, on-going funding to provide upkeep and improvement is in many cases very inadequate. In the past as well new schools have been built or major extensions added without industrial education facilities being included. (Scott Marshall, Industrial Education Consultant)

The Task Force regards the lack of funds for curriculum support as a major restriction on quality education for the Province. This problem has implications for all instructional cost categories, with the possible exception of school secretarial services.

Options and Proposals

This section will deal with four categories of instructional costs; the fifth, library resource materials, is considered so important as to merit separate consideration and is dealt with in Chapter 9.

Instructional Staff Travel

This area includes all travel costs for professional staff. With minor exceptions this money is spent to improve and support the instructional program, and the quality of teaching. Supervision and support of teachers, professional development and implementation of new programs require activities, meetings attendance at various conferences and inservice which are all costly to school boards. The issues raised earlier

all apply to this area. Varying conditions cause variation in cost from board to board for similar levels of service. These differences are shown in Table 8-2.

The average overall per-pupil cost of instructional staff travel in 1987-88 was $9.00, including the Labrador and Seventh Day Adventist Boards. The range was from a high of $23.00 to a low of $3.00 per pupil. The Labrador East Integrated School Board was at the high end of this range and the Avalon Consolidated and Roman Catholic School Board for St. John's at the low end. By removing the Labrador and the two St. John's boards from the analysis, the per pupil cost was $11.00.

In its report to the Task Force, Whey provided a sample of school board comments concerning instructional travel. These included the following:

(c) Burin Int. District level inservices and travel are curtailed because of a lack of funds.

(d) Avalon North Int. There is a current need to further inservice our Program Co-ordinators so that they are kept up-to-date; i.e. need for inter-provincial and national inservice exposure/experience.

(e) Terra Nova: For years these amounts were adequate to meet the basic needs but extra funding would have greatly enhanced the inservice education of our teachers.

(g) Labrador East: These amounts are inadequate . . . allow Program Co-ordinators to travel to each school twice yearly outside Happy Valley - Goose Bay area.

(h) Gander-Bonavista R.C.: Monies for instructional travel are inadequate, at present funding levels we have to severely restrict the amount of teachers inservice and the number of principals' meetings.

(k) Bay d'Espoir: The total instructional travel budget needs to be more than doubled to provide a minimum level of inservice and program co-ordination required.

Table 8-2

A Breakdown of Selected Instructional Costs By School Board and Category of Expenditure For 1987-88

Enrolment	School Board	Per Pupil Costs			
		Category 1	Category 3	Category 4	Category 5
<=2,000	Vinland	$9	$25	$2	$7
	Cape Freels	11	30	12	21
	Bay d'Espoir-Her.-F. Bay	9	33	6	15
	St. Barbe South	10	20	5	9
	Conception Bay Centre	5	36	0.23	9
	Avg. Cost	9	29	5	12
2-4,000	Strait of Belle Isle	12	24	3	11
	Deer Lake	9	36	11	25
	Green Bay	12	43	5	18
	Notre Dame	11	35	13	33
	Burin Peninsula Int.	10	36	4	21
	Port aux Basques	6	32	1	27
	Conception Bay South	7	27	16	35
	Bay St. George	13	20	17	49
	Conception Bay North	13	43	6	29
	Exploits White-Bay	17	46	0	29
	Ferryland	9	26	5	21
	Gander-Bon.-Connaigre	9	18	6	25
	Placentia-St. Mary's	9	29	2	26
	Port au Port	7	41	12	35
	Avg. Cost	10	33	7	28
4-6,000	Exploits Valley	9	39	12	35
	Burin Peninsula RC	13	72	4	41
	Humber-St. Barbe	12	36	10	34
	Bay of Islands-St. Georges/B/R	6	52	7	46
	Avg. Cost	9	50	8	40
> 6,000	Terra Nova	11	47	3	23
	Bon.-Tri.-Pla.	9	26	13	29
	Avalon North	13	28	8	26
	Pentecostal Assemblies	11	39	8	23
	Avalon Consolidated	3	47	3	37
	St. John's	3	27	16	40
	Avg. Cost	7	34	10	32
	Labrador East	23	32	5	73
	Labrador West	12	83	55	87
	Labrador	21	77	21	59
	Avg. Cost	19	65	26	71
	Seventh Day Adventist	10	164	28	0

Category: 1 - (Instructional Travel), 3 - (General Supplies), 4 - (Furniture/Equipment, 5 - (School Secretaries)

(m) Notre Dame: We have given a priority to travel particularly with respect to our itinerant teachers because the only way to offer a complete program in small schools is to have specialists shared with two or more schools. There will be a need for more itinerant teachers as enrolments decline.

The simplest solution to the problem is to simply increase present grants to more acceptable levels. However, present formulas will not take into account the vast differences in instructional travel required by school boards. The use of a weighted per pupil option, although relatively straightforward, has several problems associated with it. First, there is the problem of identifying cost differences among districts. Second, there is difficulty of establishing a desired level of service for instructional travel, since actual needs vary over time as well as by district. Using current costs data for each district may provide little indication of desired need, because actual expenditures may reflect reduced funding caused by lack of revenues. The Whey study found that more than 90 percent of the boards believed the present level of service in this area was inadequate. Despite these problems, the Task Force proposes a pupil-based formula that takes into account the need for increased travel cost for all rural boards, with a smaller amount for the two large boards centered in St. John's.

Recommendation 8.1

We recommend that the approved level of funding for travel in the instructional component for 1989-90 be:

An amount of $950 for each unit of 50 pupils or fraction thereof for school boards with fewer than 8000 pupils and an amount of $400 per unit for school boards with enrolments in excess of 8000.

General Supplies and Classroom Materials

The area of cost includes all the various supplies needed to maintain and operate school programs. It ranges from general materials such as paper to specific classroom and laboratory supplies such as chemicals and computer programs. The area is one of the first to suffer when budgets are restricted, and the evidence from our studies and board submissions shows the severe restraint that has been applied.

The average overall per pupil cost of general supplies and teaching aids for all boards in 1987-88 was $39.00. Excluding the Labrador and Seventh Day Adventist Boards, it was $37.00. The range was from a high of $83.00 to a low of $18.00 per pupil. This translated into a 11 percent increase from 1986-87 to 1987-88 (See Table 8-2).

From the submissions to the Task Force and comments made to the Whey study, there was widespread consensus that funds were totally inadequate to provide a proper level of service. If costs were adjusted even to allow for the present inadequate level for 1989-90, the average per pupil cost would be $48.00. This is based on the assumption that costs will rise by 11 percent annually for the two years, and that a 2.5 percent decline in pupil population over the same period.

While the range of per pupil expenditure is substantial, the analysis of data shows that there are no wide differentials among school boards of different sizes in the per pupil expenditures on this item. Teachers have to be supplied with a minimum amount of supplies and teaching aids just to teach pupils daily, and it appears that boards are operating near the minimum. This means that the present level is very much an undesirable level. The comments made at the beginning of this chapter demonstrate the need for additional teaching supplies in all subject areas, and in particular, Art, Music, Industrial Education, Home Economics, Physical Education, and the various sciences.

After considering the various approaches to funding teaching supplies and aids, including a negotiated budget for each board, the Task Force decided upon a per pupil grant for all boards. While all anomalies would not be taken into consideration, we

believe that this approach, with substantially increased amounts of funds, is a move in the right direction. In addition, direct funding for essential resources for new programs is referred to in Chapter 14.

Recommendation 8.2

We recommend that the approved level of funding for general supplies in the instructional component for 1989-90 be:

An amount of $2500 for each unit of 50 pupils or fraction thereof enroled in the school district.

Purchases, Repair and Rental of Furniture and Equipment

This area of costs is a wide one including all types of equipment and furnishings other than that purchased through capital expenditures. As Table 8-2 shows, the average per pupil costs of this category of costs for 1987-88 was $9.00, with a high of $55.00 and a low of less than $1.00. Excluding the Labrador and Seventh Day Adventist boards, the top of the range was reduced to $17.00. Smaller boards spent only $5.00 per pupil for this category. These costs tend to be closely related to the number of pupils and are little influenced by differing circumstances,and a per pupil grant seems appropriate.

The following comments from school boards concerning this matter were included in the Whey Report:

(a) Seventh Day Adventist: Needs and costs associated with photocopiers, VCRS, etc., are increasing at a much faster rate than funding.

(b) St. John's R.C.: The change in technology has shown a great need for computerization - both providing of equipment and facilities to house them . . . the equipment currently in the schools is fairly old and requires considerable amounts of funding to maintain.

(c) Straits of Belle Isle: Our schools are moving more and more to the use of computers and photocopiers, with the bulk of these costs being borne by the schools through fundraising activities.

(d) Deer Lake: The funds allocated during past years have been to provide photocopiers and to repair audio-visual equipment in schools. Most A/V equipment was purchased through school fund raising. Most of the school's A/V equipment is now in poor condition.

(e) Green Bay: Each year we receive requests for replacement furniture and equipment from schools totalling between $40-50,000. During a typical year we are able to meet less than 1/3 of the dollars needed in this area. The result is that the condition of the furniture and equipment in the schools are deteriorating to the point where a crisis situation will soon occur and major expenditures will be required to solve it. Equipping of offices for Guidance Counsellors and other Specialists is a growing expense.

(f) Exploits Valley: It is worthy of note that the major portion of this expenditure is ordered by and subsequently billed and paid by the schools as the Board does not have adequate resources to fund these types of expenditures.

(g) Cape Freels: 75 percent of the cost shown in each year is for photocopiers . . . most of our equipment and furniture was purchased when new schools were built and over the years needed major repairs, and in most cases, replacement.

(h) Bonavista-Trinity: The Board's expenditure is dictated by its ability to pay when all non-discretionary expenditures have been made.

(i) Avalon Consolidated: This School Board has intentionally cut back on the purchase of replacement furniture and equipment due to other more pressing needs.

(j) Pentecostal: With nearly 7,000 pupils, one should be able to purchase 700 new desks per year ($70,000). We hope in the next 10 years to replace these desks, some of which are 25-30 years old.

(k) Labrador R.C.: New programs place serious demands upon our furniture and equipment budget. Many of our needs are

presently addressed by individual schools through their own fund raising efforts.

Both submissions to the Task Force and research studies demonstrated that insufficient funds were available to cover the total cost of this category. Repeatedly, boards stressed the need for more funds for photocopiers, computers, and even student desks to make accommodations for the new Mathematics program introduced in primary and elementary grades. The costs of providing for the newer technologies and maintaining this sophisticated equipment are constantly rising.

From the comments received, it was concluded that the 1987-88 level of funding (average of $9.00 per student) was inadequate. If the present level were extended to 1989-90 (allowing for a 2.5 percent decline in pupil enrolment and a 12.5 percent annual increase in costs), the cost would be an average of $12.00 per pupil. It is our opinion, based on responses from Board surveys, that the desired level of spending should be at least $20.00, or $1,000.00 per 50 students.

Recommendation 8.3

We recommend that the approved level of funding for equipment in the instructional component for 1989-90 be:

An amount of $750 for each unit of 50 pupils or fraction thereof enroled in the district.

School Secretaries

The operation of a school without reasonable secretarial services is very difficult, yet boards have found it impossible to provide reasonable services to their schools. This is another service which boards must find from operational grants or school tax

revenues, but it does not appear to have been a factor in determining the size of the grants when the present formula was instituted.

The average per pupil cost for school secretaries in 1987-88 for all boards in the Province was $33.00 (See Table 8-2). If the Labrador and Seventh Day Adventist boards were excluded, the average cost would be $30.00, with a range of from $49.00 per pupil to $7.00. From 1986-87 to 1987-88, there was a 13 percent increase in this item. In the Whey study, 94 percent of the boards stated that they were not satisfied with the level of service being provided in this area. If the current level of spending were projected to 1989-90, boards would be spending $44.00 per student.

The following quotations from schools are representative of their views concerning school secretaries:

(a) Conception Bay Centre: All schools should have some secretarial help ranging, perhaps, from an hour or two per day in the smaller schools of 100-150 students to 1/2 time for schools of 175-225 . . . to full time for schools 250 plus.

(b) Terra Nova: Generally felt to be inadequate from the point of view of hours assigned.

(c) Vinland: At present we are just offering what our limited budget will permit - again, just scratching the surface of what is needed.

(d) Gander-Bonavista: There are no established criteria for the provision of school secretaries to our schools. Due to financial restrictions, secretaries are provided to schools where failure to do so would seriously impinge on the principal's ability to adequately operate the school.

(e) Placentia: We could easily spend double and not be wasteful.

(f) Pentecostal: Too costly to implement in any year.

(g) Bonavista-Trinity: Practically no service available to teachers and most inadequate to administrators.

The many requirements of a modern school for typed materials, records keeping and correspondence, means that valuable time is spent by professional staff on work that a secretary could do more efficiently, or that many schools are hampered in their operation by the limited ability of boards to provide secretarial services.

Several options were examined for funding school secretaries at a reasonable level. Factors considered included the number of pupils, the number of teachers, the number of schools, the type of school, and a combination of all or some of these. After consideration of these and the recommendation of the Whey study, the Task Force concluded that this is another cost that can be covered with a pupil-based grant, provided the level of funding is sufficiently high.

Recommendation 8.4

We recommend that the approved level of funding for school secretaries in the instructional component be:

An amount of $2500 for each unit of 50 pupils or fraction thereof enroled in the district.

Chapter 9

FINANCING INSTRUCTIONAL RESOURCES

Introduction

The Task Force believes that the provision of adequate library resources to all schools is a crucial factor in the provision of educational equality, and therefore gives it special emphasis. We first describe the importance of this area, then discuss some of the major financing problems, and then present our recommendations.

The Nature and Importance of Library Resources

In the curriculum guides, course descriptions, and various other publications, the Newfoundland Department of Education makes it clear that learning resources are essential in order to implement the current program of studies. This resource-based approach requires a rich educational environment, involving books, magazines, audio and video tapes, films, computers, resource people, and community resources. As Belbin (1987, p.7) points out, the school library, managed by a qualified teacher-librarian, is an essential element in the provision of a variety of curriculum-related resources, and a partner in the implementation of varied instructional strategies.

Library resources may be described in several ways. A recent Quebec (Leveillé, 1987) document used the following four categories: printed documents, audiovisual documents, computer documents, and iconographic documents.

Printed Documents

(a) Printed materials: books, textbooks, periodicals, newspapers, encyclopedias, workbooks

(b) Maps, charts, illustrations and posters

Audiovisual Documents

(a) Audio: records, tapes, radio programs

(b) Visual: filmstrips, slides, microfiches, photographs

(c) Audiovisual: 16mm films, videotapes, slide shows, television programs, videodiscs

Computer Documents

(a) Programming languages

(b) Application software: creation, usage and manipulation of data

(c) Courseware: exercises, tutors, simulators, games

Iconographic Documents

Globes, sculptures, scale models, puppets, educational games, models and objects

This list shows the wide range of materials used in a modern library, and gives an idea of the value of the library in enriching the child's education. In addition to these resources, the library would, of course, require appropriate equipment.

In 1968, the report of the Royal Commission labelled school libraries as an integral part of education and recommended the establishment of regional centers; per capita grants for resources, in line with Canadian Standards; minimum requirements for establishing a centralized school library; allocations of teacher libraries outside the pupil-teacher ratio; and facilities for resource centers. A decade or so later, the Task Force on Education (1979) repeated some of these recommendations, stressing the need for district or regional resource centers and more qualified personnel. The Riggs' Small School Study Project, which reported in 1987, also made recommendations in this area. We will review briefly the pertinent findings of this recent study.

Riggs found that there was a greater percentage of small schools without libraries than larger ones, and libraries were less likely to be found in small primary schools than in small high schools. The number of books and the variety of materials in these libraries were also strongly related to school size. This the Project Group found clearly unacceptable.

The report recommended (Recommendations 3.11, 3.14, 3.15) that all small schools should have library space provided. To provide materials it recommended an initial block grant for resource materials in addition to the regular per pupil grant. It also recommended the establishment of regional resource centers to support the school libraries.

We agree with these recommendations and will review further the need for action in this area of school funding.

Current Problems

There are a number of problems associated with formulating recommendations for the funding of instructional resources. First, there is the problem of establishing appropriate standards for such resources. While many submissions urged the Task Force to recommend much higher funding, few addressed the question of what constituted a basic core of materials. Naturally, such standards would be determined by the grade levels included and the programs offerings, as well as the number of students.

Specialists in the area of instructional resources have been involved for some time in the preparation of a document containing standards for provincial approval. The most recent draft is entitled *Learning to Learn.* One of its recommendations proposes a basic collection for a school of approximately 250 students which may be adapted to larger or smaller schools according to program needs. That collection should be as follows:

Print and non-print materials	5000 titles
Magazines	20 Titles

Newspapers Pamphlets/Pictures Films/videos, etc.	2 Titles to meet needs from the district media centre, provincial collections, etc.

Several attempts were made to estimate the cost of basic collections and services. One was by Brown (1989) and associates in a paper prepared specifically for the Task Force. The following illustrate the range of costs associated with various programs:

1.	A Newfoundland collection for high school (These figures were based on an actual collection, using figures obtained from the learning resource teacher. This does not represent the complete collection, just what the learning resource teacher saw as essential. It does not include audio-visual).	$ 1,650.00
2.	A recommended reference collection for elementary schools.	4,575.00
3.	One elementary school's collection. This is based on current holdings. Periodicals - $614.34 (annually) Books - 1369 volumes Estimate $20.00 per book = $27.380. Audio-visual collection - 116 items Estimated value - $1000.00 Reference collection - 17 items Estimated value - $1890.50 Total estimated value of collection	30,884.84
4.	Total 7 year budget for French Immersion Based on one school's budget figures. Regular school budget ($1000 x 7) Federal grant for new classes ($500 x 7) Special grants Fund raising Other sources: PTA, Book Fairs, etc. Total (over the 7 year period)	 7,000.00 3,500.00 4,000.00 2,000.00 3,400.00 19,900.00

5.	Curriculum resources for a senior high school. (This group selected seven courses, then averaged out costs. The courses selected were ones needed to graduate. They included fiction and non-fiction books and recommended audio-visual, but not films, periodicals or reference books).	
	Average cost per course would be	1,594.32
6.	A high school basic reference collection (This included books only - no magazines or newspapers.) Selection was by using recommended lists.	4,078.00
7.	A basic periodical list collection for high school (This is the actual collection of one city high school).	1,800.00
8.	An intermediate school core collection, (2 stream). (This group selected representative courses, calculated costs and then used averages).	
	Average cost per course would be	2,700.00
	Whole collection would require	$75,497.00

Several school boards also provided the Task Force with estimates of the funds required to offer adequate resources in selected subject areas. The Ferryland Roman Catholic Board estimated that it needed over one million dollars to bring its resources (including materials, instructional equipment, and furniture) up to a reasonable standard. The Roman Catholic School Board for Conception Bay Centre provided an estimate of required resource materials for Guidance, Language Arts, Math, Science, Social Studies, French, Art, Religious Education, and Special Education, totalling more than a half million dollars.

were repeatedly told of the inadequacy of instructional resources, there are obviously instances where school boards or individual schools have acquired excellent collections. If the poorly equipped schools are to meet an acceptable standard, a grant for ongoing operation alone will be inadequate and a "catch-up" component will be needed.

The Whey Report contained a number of school board quotations concerning the provision of instructional materials. Included were the following:

(a) Deer Lake: There should be a "start up" grant for new and/or renovated school libraries so that the library can start off with a core collection ... the instructional resource material budget can then be utilized to maintain and build on this foundation.

(b) Avalon Consolidated: All programs in our curriculum need certain basic supporting materials, regardless of the size of the school. Possibly there is need to supply a basic grant for resource materials to accompany particular programs for all schools and in addition to that there be a per pupil allotment to allow schools to build up their collections to serve the particular need of their school.

(c) Bay d'Espoir: Four of our smaller schools have no library at all .... reference materials in all our high schools are limited mainly to old sets of encyclopedias.

(d) Bonavista-Trinity: Thousands of dollars would be required to bring our libraries up to a reasonable state.

(e) Exploits-White Bay: Because of a shortage of operating funds the library grant has not been spent on its intended purpose, school libraries are maintained by school raised funds.

(f) Placentia: It is difficult to put a figure on this. We do what we can with the money we have, but if we had double or even triple we could still use it.

(g) Burin R.C.: The Canadian Standard recommends at least 20 books per student for a school library, our estimate would provide about 3 books per pupil.

It appears to the Task Force that school library services generally are inadequate and, in spite of the lack of detailed information, that many students attend schools whose resources are inadequate for the provision of an educational program of good quality.

Options and Proposals

Figure 9-1 shows the variations in expenditure among school boards for costs of instructional resources. The average per pupil expenditure in this category of instruction for 1987-88 was $10, with the range from a high of $23 to a low of less than $1. The overall increase from 1986-87 to 1987-88 was 5 percent. Over 90 percent of all boards cited the lack of funds (after expenses to cover other operational costs) as the major factor for not spending more money on libraries. Without exception, boards noted that funding available for libraries did not come close to meeting the basic needs in instructional resource centres and school libraries.

The three options again considered by the Task Force for Department of Education financing of instructional cost were (1) the present grant structure with increased funding, (2) recommending the negotiated budget approach so that each board would receive funding based on its own specific needs, and (3) a weighted formula approach. For reasons presented earlier, the Task Force recommends the weighted formula approach. The present funding arrangement was judged to be totally inadequate by all those with whom we met, not only because it was too little, but also because it was not related to the size and types of schools. The negotiated budget approach could be perceived as being too political. This approach would also require an assessment of the cost of establishing a basic library collection for each school in a district and then the cost of maintaining such a collection annually. This would involve considerable time and effort.

While we were not mandated or even qualified to undertake an assessment of the current status of instructional materials and facilities in the schools of the Province, we believe that such a study is necessary. We suggest, however, that the implementation

of our recommendations concerning the annual grants required should not await the completion of this assessment and the establishment and costing of a basic core collection for each individual school.

Table 9-1

A Breakdown of Selected Instructional Costs By School Board and Category of Expenditure For 1987-88

Enrolment	School Board	Per Pupil Costs Category 2
<= 2,000	Vinland	$12
	Cape Freels	8
	Bay d'Espoir-Her.-F. Bay	19
	St. Barbe South	9
	Conception Bay Centre	11
	Avg. Cost	12
2-4,000	Strait of Belle Isle	10
	Deer Lake	7
	Green Bay	8
	Notre Dame	3
	Burin Peninsula Int.	10
	Port aux Basques	5
	Conception Bay South	10
	Bay St. George	17
	Conception Bay North	14
	Exploits White-Bay	1
	Ferryland	15
	Gander-Bon.-Connaigre	11
	Placentia-St. Mary's	12
	Port au Port	7
	Avg. Cost	9
4-6,000	Exploits Valley	23
	Burin Peninsula RC	12
	Humber-St. Barbe	3
	Bay of Islands-St. Georges/B/R	10
	Avg. Cost	12
> 6,000	Terra Nova	11
	Bon.-Tri.-Pla.	17
	Avalon North	13
	Pentecostal Assemblies	10
	Avalon Consolidated	6
	St. John's	8
	Avg. Cost	10
	Labrador East	11
	Labrador West	9
	Labrador	8
	Avg. Cost	9
	Seventh Day Adventist	13

Source: Whey Report

To alleviate the problems discussed we make the following recommendations.

Recommendation 9.1

We recommend that section 12 (e) of *The Schools Act* be amended by deleting the phrase "wherever possible". This change will require school boards to maintain libraries in all schools.

Recommendation 9.2

We recommend that the Department of Education establish a minimum core collection of instructional materials and equipment for various types and sizes of new schools and initiate immediately a system of outright grants to new schools for the acquisition of these start-up collections.

Recommendation 9.3

We recommend that the Department of Education undertake an assessment of existing instructional resources and equipment in all schools of the Province and initiate a system of outright catch-up grants to these schools to bring them up to minimum standards over a period of five years.

Recommendation 9.4

We recommend that the Department of Education review the minimum resource standards contained in the *School Planning Manual,* 1984 edition.

Recommendation 9.5

We recommend that all school boards develop a three year plan for the enhancement of resource materials in all their schools, such a plan to be reviewed with appropriate officials of the Department of Education.

The grants proposed above are special grants to overcome the past difficulties in providing a basic allocation. A regular grant should be provided for maintenance and development of the allocation. A per pupil grant is preferred for simplicity, but another

development of the allocation. A per pupil grant is preferred for simplicity, but another component is required to allow for need to provide a good range of material in the smaller schools. The grant thus has two components--one based on school size, and the other one based on the number of pupils.

Recommendation 9.6

We recommend that the approved level of funding for resource materials in the instructional component for 1989-90 be:

(a) An amount of $1,000 for each unit of 50 pupils or fraction thereof enroled in the district.

(b) An additional amount of $500 for each unit of 50 pupils or fraction thereof enroled in small schools in the district.

Small schools include high schools and all grade schools with 25 or fewer pupils per grade, and elementary schools with 12 or fewer pupils per grade.

In Chapter 2 of this Report, we discussed the issue of general versus categorical grants. In Chapter 6 we included the possible use of categorical grants in one of the guidelines. We believe that resource materials grants should be categorical and the expenditure grants should be monitored to ensure that at least the amounts provided to school boards are expended for this purpose.

Recommendation 9.7

We recommend that the grants made available for resource materials be categorical.

The establishment of district and/or regional instructional materials centres to complement school-based materials was widely supported in the submissions received. Such a system can provide a much greater variety of materials than an individual school can have, and avoid unnecessary duplication, particularly of non-print resources.

A number of school boards have already established comprehensive district instructional media centres. In its submission to the Task Force, the Terra Nova Integrated Board made the following comment:

> Some years ago proposals were made to have regional instructional media centres. This idea has not been pursued further by the Department of Education, to our knowledge. The Terra Nova Integrated School Board has devised and set up its own IMC. Funds are used to purchase many instructional materials needed in the schools but too expensive to be purchased by each individual system. Many of these kits are used for only a short period of time - the study of a unit. The central distribution centre enables many schools to avail of the same material. Where two or more boards cover the same geographical area, it makes eminent sense that a joint IMC would be both an educational and economic advantage. From our perspective a joint IMC to serve the Terra Nova Integrated School Board, Gander-Bonavista-Connaigre Roman Catholic School Board, Notre Dame Integrated School Board, Cape Freels Integrated School Board would have merit. These centres could be administered and funded by the Department of Education or administered by a joint committee of the boards but funded primarily by the Department of Education. (Terra Nova Integrated School Board)

The submission from the Educational Media Council of the Newfoundland Teacher Association supported the sharing of resources among school boards. It described the situation as follows:

> Within the denominational education system in this province, many geographic areas are serviced by more than one school board. Quite often schools from two boards are located next to each other. Not all boards are financially capable of providing the same quality of resource services to their schools. Some of these boards have provided district resource centres. If these centres were funded, staffed, maintained and developed by all the boards in the neighbouring areas, more schools would be able to take advantage of such centres, thus providing a wider selection of materials for

use by the teachers. In the 1979 *Final Report: Task Force on Education,* recommendation #10:32 states that various district centres be operated jointly by the boards in the same area. (p.206) This advice has not been followed and the result has been duplication of materials and personnel in neighbouring school boards. Tragically, another result is the unavailability of resources to some schools while they lie unused in a school down the road.

Recommendation 9.8

We recommend that the Department cost and make funds available to school boards to help establish district or co-operative regional resource centres to supplement the services and collections of school resource centres, such centres to be funded independently of school-based centres.

The importance of using technology to automate circulation and as many clerical tasks as possible was brought to the attention of the Task Force. We believe that for greater efficiency and resource sharing, such a move is necessary. The three recommendations presented below address this issue.

Recommendation 9.9

We recommend that the Department of Education take immediate steps to recommend a user friendly cataloguing program suitable for school libraries.

Recommendation 9.10

We recommend that the provision of computers in the school resource centre be included in the initial furnishing of all new facilities to replace the card catalogue.

Recommendation 9.11

We recommend that a feasibility study of library automation for the Province be undertaken by the Department of Education.

The Task Force heard a great deal about the need for additional personnel teacher librarians, for example, to select and organize resources and make them accessible to teachers and students and facilitate their use. In her brief, Braine points out that a subject analysis is really important, not only for books but for all types of materials--pictures, pamphlets, newspaper articles, magazine articles--so that students and teachers will be able to find what they need. She proposes an increase in the number of teacher librarians in the formula for teacher allocations. She also proposed a scale for clerical assistants. For district or regional resource centres, there were proposals for the employment of professional directors qualified in both curriculum and learning resources, media technicians, and clerk/typist receptionists. While the Task Force was not mandated to make recommendations regarding teacher personnel, we do believe that addition professional and paraprofessional personnel are necessary if the additional funding and the resources are to be used efficiently and effectively. There is a necessity for qualified personnel to make long term decisions regarding resources and to avoid wastage and duplication. With this in mind, we make the following recommendation:

Recommendation 9.12

We recommend that all school boards have access to the services of a qualified co-ordinator of library-media programs.

The standards recommended in this report represent a compromise between "what should be" as expressed in submissions and the literature and "what is realistically attainable" in terms of the present economic climate. They should be interpreted as minimal rather than desirable expectations. Some schools may have already achieved these basic standards, but the many which have not should develop a plan and a reasonable timetable for their implementation. Vastly increased sums of money must be made available by the Department of Education if these minimum standards are to be achieved.

Chapter 10

FINANCING PROGRAMS AND SERVICES FOR STUDENTS WITH SPECIAL NEEDS

Early in its review the Task Force realized that the provision of programs for students with special needs created unique and substantial financial problems for school boards. These problems were greatly increased when school boards became responsible for the education of all special needs children, except those with severe disabilities who are accommodated in the School for the Deaf in St. John's and the School for the Blind in Halifax. The more recent policy of normalization creates an even more complex situation. The Exploits Valley School Board summarized the problem in this way:

> The Special Education Policy Manual states that the Department of Education is committed to developing the policies, personnel, environments, material resources, and educational practices which will ensure that all children with special needs receive an education that is designed to respond to individual strengths and needs, and is provided in the most enhancing environment.
>
> These statements are philosophically sound and one would have difficulty finding anyone to disagree with them. The difficulty lies in the resources, both human and material, required in order to make such statements approach fruition.. . . .The philosophy elsewhere is being supported by human and material resources that translate into a tremendous financial commitment. In this Province the philosophy is being pursued without the necessary human and material resources to give it a fair chance of success.

This chapter reviews the problems associated with special needs programs and presents our recommendations for solving them.

Current Problems

Representations to the Task Force unanimously identified a serious lack of funds to provide for special needs children. No doubt this reflects, to a degree, the general underfunding of the school system, but specific needs were identified for which special

designated funding was advocated. These additional or special needs cover a wide range of services as summarized in the presentation from the Avalon Consolidated School Board:

> Special education services for physically and mentally handicapped students have been increased considerably over the past number of years. Costs for special equipment, renovations to buildings for accessibility purposes, toilet adaptations, and lifts and elevators are not being provided because the finances are not available. Physiotherapy and occupational therapy services are very inadequate and nursing services are nonexistent. No grants are available to provide specialized facilities and services for mentally handicapped classes when they are started in existing buildings and, although transportation is provided to and from school, the Board, on its own, has to provide quite expensive transportation when students have to be transported for the delivery of programs such as work placement, swimming, etc.
>
> There are tremendous costs involved in the provision of even basic services for severely mentally and physically handicapped students. The School Board, in the provision of services to special needs students, has to provide not only educational services but a host of medical and social services as well. There is insufficient planning by departments other than the Department of Education so as to cooperate with the School Board in providing these services. There should be greater coordination among the Departments of Education, Health, and Social Services. Supplementary agencies such as the Adolescent Counselling Centre, the Dr. Thomas Anderson Centre, Coach House and Mount Cashel Manor are too few and inadequately staffed to provide the supplementary services needed.

Table 10-1 illustrates the kinds of costs that arise when schools become involved in the full range of special education services. Such needs justify the provision of special funding to boards in addition to general operational grants. This special funding is discussed in this chapter under the following headings: facilities, materials and support staff.

Table 10-1

Types of Costs Involved in Special Education Funding

Physical Plant	
Ramps	Special lighting (visually impaired)
Elevators	Bars in bathrooms
Special doors	Carpeted classrooms (hearing impaired)
Lowered drinking fountains	
Equipment	
Visually Impaired:	Braillers
	Large print books
	Optacon
	Reading machines
Hearing Impaired:	Classroom FM systems
	Batteries, cords for individual aids
	Vibrotactile devices
	Auditory trainers
Support Personnel	
Psychologists	School nurses
Counsellors	Educational consultants
Teacher Aides	
Additional	
Specialized testing instruments as developmental scales and language tests	
Special materials	
Computers	
In-Service Training	
Providing teachers with more information on applied research, curriculum innovations, trends and movements in special education.	

Source: M. Winzer, Faculty of Education, University of Lethbridge, Alberta.

Facilities

School boards are now responsible for the educational needs of all pupils, including those who are seriously handicapped. The introduction of the seriously handicapped to school buildings which were not designed with them in mind, has placed an

additional burden on school boards. Adaptation of a school for the physically handicapped typically requires such features as the following: ramps, lifts, special doors, lowered drinking fountains, special washroom facilities, special lighting, carpeted classrooms. The greatest capital needs identified by the Task Force were those related to accessibility. The quote from the Avalon Consolidated School Board sets out clearly the inability of even those boards with relatively strong financial position to finance required adaptations to existing schools. Obviously the accessibility of buildings must be a first concern for school boards in meeting their obligations to these students.

Classroom space did not appear to be as great a problem, as accessibility, perhaps because of the decline in enrolments and the policy of placing special needs students in regular classrooms wherever possible. There were, however, problems in providing space for the severely handicapped. The following statement by the Bonavista-Trinity-Conception Integrated School Board represented the views of many boards: "School boards are now responsible for the educational needs of all pupils including these that are severely handicapped. The provision of suitable classroom space for such pupils in addition to provision of teaching aids has placed an additional burden on boards. The funding for such pupils is woefully inadequate (compare the cost of maintaining such pupils in institutional care)". Boards clearly felt that they had been required to accept the severely handicapped students without being given the required funds, in spite of the likelihood that government had realized considerable savings by removing these students from institutional care.

Instructional Resources

The presentations to the Task Force also stressed the need for funds for resource materials. The present grants were said to be inadequate, especially in the case of the more severely handicapped. The Provincial Council of Special Services reflected the views of many submissions: "The cost of specialized equipment, materials and supplies that

enhance the educational environment of a Trainable Mentally Handicapped (TMH) student should be covered by the Department of Education."

A particularly difficult aspect of financing appears to be the purchase of special equipment for students with specific disabilities. While other uses can be found for computers, such equipment as a reading machine, auditory trainer may be needed for a single child, and then only for the period the child stays in the school. The situation raises the question of special funding for such circumstances, and how to provide it when and where needed.

> In this Province the Department provides $25. per student per year for developing and sustaining programming for special education students. With the tremendous cost of computer hardware and software and the skyrocketing costs of good print material and other teaching aids, the difficulty of providing quality material support for special programs is obvious. There is a wealth of material available through the computer industry to facilitate various learning difficulties for children. The problem is that schools cannot afford to purchase the necessary software and hardware, so it might as well not exist. In more cases it is outside our reach. Yet, in mainland classrooms, these material resources are readily available to support programming that seeks to make schooling more enhancing. This $25. per student grant goes nowhere to provide adequate resources for the needs of the special student.
>
> The same arguments are true for financing for the trainable mentally handicapped (TMH) and the multi-handicapped (MH). At present the Department provides $150. per student per year to support programming for these handicapped children. A computer and voice synthesizer for a non-verbal cerebral palsied child could cost from $5,000 - $10,000., phsio equipment in the absence of the more standard physical education programs costs hundreds of dollars per child, special teaching materials are very costly, and the human resources required to work with severely handicapped children, to be effective, needs a tremendously reduced ratio.
>
> We are obviously not living in Ontario, but when we have five or six severely handicapped children with one teacher and one untrained teacher aide from the Department of Social Services, and $150. per child to provide materials, then the comparison is ludicrous." (Exploits Valley Integrated School Board)

Support Staff

The development of special education in the school system brought a need for a new type of staff member--the teacher aide. Many special needs children require a kind or degree of attention which the classroom teacher is unqualified or unable to give. Some of these services involve activities which are not regarded by the teaching profession as part of a teacher's responsibilities. Some are time consuming and would require an unacceptable interruption of on-going classroom activities. Some are the responsibility of other professions and can be provided only under their supervision. The policy of integrating special needs children into regular classes has made support staff even more necessary, since there the special orientation of the teacher and the smaller numbers of the special education classroom no longer apply.

The Department of Social Services has provided teacher aides for a number of years, however it is clear from the presentations that this program is seriously flawed.

> Under the present program teacher assistants for all children, . . . are social assistance recipients who are frequently unskilled workers. In many situations they are single parent females, who are locked in a cycle of social assistance, make work opportunities, unemployment insurance and the cycle starts again. From an educational perspective this requires on the job training or crisis management in trying to find a suitable candidate to work with a child who is physically or mentally handicapped. . . . If the assistant becomes ill there is no substitute. If the child has specific toileting or medical needs, there is no specialized training for the assistant until the school provides the opportunity, . . .
>
> Teaching assistants seldom have training with respect to First Aid, medical disabilities, lifting techniques, toileting care, child psychology or the developmental changes of childhood. (LeMoine)
>
> A teacher assistant's program with adequate numbers of permanent, trained persons working under the direction of the teacher, to provide direction, guidance and supervision to all special needs children allowing them to be educated in an integrated setting in order for them to reach their full potential, has to be implemented (Wortman, Cheeseman, et al.)

> The Department of Education must realize that integrating students into regular classes will occur only when adequate support services are in place. (Provincial Council of Special Services)

Many severely handicapped students now in school need medical support services during the school day, and their teachers require direction and support of medical personnel. Availability of medical personnel, in the form of nurses, nursing assistants, and therapy personnel is, therefore, essential. Discussions with the Department of Health should be initiated to provide various medical and physiotherapy services.

Accompanying the need for these kinds of services is a change in the role of the special education teacher. Margaret A. Winzer of the University of Lethbridge recommends a re-examination of the distribution of specialists.

> . . . rather it is founded on the notion that the role of the special educator should change. As more and more exceptional students move into regular classrooms, special education teachers are the prime personnel to assure duties in consulting, forming and organizing educational teams, providing inservice training, and liaising with parents and other community agencies.

The role of the special education teacher must change with some teachers moving in the direction indicated by Winzer. Others may have teaching responsibility for students with more severe problems, requiring specialized teaching abilities and some may require care-giving abilities and skills which make the teacher education degree irrelevant.

Winzer also notes the change in the role for the special teacher who is involved with support of children who are in regular classes. However, a special education students will need more highly specialized teachers to address their handicaps outside of regular classes. Severely disabled children may be able to spend only a small portion of their time in regular classes, and may need more intensive care. The more extreme of these may be unable to benefit from professional instruction, but need a trained person who can give physical care and emotional support.

These varying circumstances make the whole question of the nature and number of staff needed to provide adequate support is complex and involves areas outside the Terms of Reference. The Task Force will therefore limit itself to recommendations concerning the provision of Teacher Aides, simply stating that the question of staffing for special education is in need of careful examination.

Options and Proposals

Funding approaches for students with special needs vary across Canada. The simplest approach appears to be taken by Prince Edward Island which does not separate Special Education funding from regular formula funding except for the provision of additional staff. Alberta provides a block grant based on the total enrolment for special education purposes. Saskatchewan and Manitoba provide additional funds based on the categorization of special needs as low/high incidence or low/high cost programs. The general approach in Ontario is similar in that grants are based on the numbers of students enroled in different categories. Quebec grants are based on previous budgets, adjusted periodically to reflect district changes. Nova Scotia limits the boards' actual approved expenditure by a formula. In British Columbia and New Brunswick the grants are based on identified needs and recognized program costs. (C.M.E.C., 1988)

The foregoing review indicates the two general approaches to funding that we have already identified and discussed: (1) funding based on actual needs and costs, through some form of provincially approved budget, and (2) funding based on the number of pupils enroled in various types of programs. In the representations made to the Task Force the majority of those addressing this issue favored the second approach; however, a significant number recommended a provincially approved budget reflecting actual program costs.

Because of the difficulty involved in arriving at an appropriate per pupil amount for the various categories of special needs students, the concept of negotiated budgets appears attractive in this particular area. For the severely handicapped it may be the best way to adjust grants to actual needs. However, for the sake of simplicity we

would prefer to have the per pupil approach, until it proves impossible to arrive at amounts which adequately meet the needs. The figures we recommend are based on the best cost data available at the moment, and appear satisfactory, but both the amounts and the per pupil approach should be reviewed periodically to ensure that they serve the purpose intended.

For the purpose of determining grants, it is desirable to distinguish between the mildly handicapped and the severely handicapped, because of the substantial differences in program costs. While we dislike the use of labels, in this context it is our opinion that the students currently identified as regular special education and behaviourally disordered, could be included in the mildly handicapped category. Those now classified as trainable mentally handicapped, multiply handicapped, visually or orally impaired, and those in developmental centres could be considered severely handicapped. However, the proper classification of students with special needs is a matter which must be worked out by the professional people in the Department of Education. The one caution we would inject is that proper identification procedures be developed, and monitoring mechanisms established to ensure that levels of funding are based on reliable and accurate information.

In order to provide additional funding for materials and supplies for students with special needs we offer the following recommendations:

Recommendation 10.1

We recommend that an amount of $50 per pupil be approved for all students identified as mildly handicapped, and

Recommendation 10.2

We recommend that an amount of $300 per pupil be approved for students with more severe learning handicaps.

The Task Force agrees with school boards that the present arrangement for securing teacher aides from the Department of Social Services is unsatisfactory. Difficulties arise because the people appointed are not trained for the work they do and the turnover rate is far too high. We are convinced a new system should be introduced, training programs put in place, and standards of certification established. It is our understanding that the Department of Education is already moving in this direction. It should be recognized in passing, however, that the aides appointed, in spite of the deficiencies noted above, have made a very substantive contribution to the education of children with special needs over the years.

Recommendation 10.3

We recommend that the Department of Education institute a program of training and certification for teacher aides.

Simply stated there are two different approaches to the provision of teacher aides and other support staff. One is for the Department of Education to make the services available, where possible, to school boards. For teacher aides this could be done through the allocation of personnel units and the payment of salaries in the same way as teachers' salaries are paid. The other approach is through a block funding arrangement whereby boards would hire whatever support services are needed in accordance with their needs and resources. We favor the second approach because it gives boards more flexibility in planning programs and engaging the type of support service needed. Moreover, this approach has the added advantage of placing more accountability on the shoulders of boards for their decisions in this area of rapidly escalating costs.

Recommendation 10.4

We recommend that the Department of Education adopt a policy of block funding to school boards to look after the appointment of teacher aides and other support staff.

The Task Force does not feel it has the necessary data and information to recommend specific amounts for approval in this area. That will have to be largely determined by the numbers of students identified as having special needs in each educational district, their degree of handicap, and the types of programming provided for them. Moreover, the proposed system for providing teacher aides may have to be phased in. In the meantime, school boards may have to continue to use the aides provided through the Department of Social Services.

The Task Force realizes that the acquisition of suitable, specialized services, especially medical and physiotheraputical, will continue to be a problem in many regions of the Province. Many of these services can only be provided by the Department of Health. If these services are to be made available a cooperative relationship will have to be maintained between the educational and medical authorities at both the provincial and regional level.

Chapter 11

FINANCING OPERATIONAL AND MAINTENANCE COSTS OF SCHOOLS

This Chapter begins with a summary of the financial problems confronting school boards in the day-to-day operation and physical maintenance of their school buildings. Operation and maintenance represents the third component in our proposed formula for determining levels of school board funding, and is, by far, the biggest area of expenditure. The chapter continues with an examination of alternative approaches to the present funding arrangement and concludes with our recommendations.

Current Problems

Almost all of the school boards commented, either in their written submissions or their presentations to the Task Force, on the problems they encounter in simply trying to keep their schools opened and maintained in an acceptable physical condition. In addressing this problem in its brief, the Exploits Valley Integrated School Board reflected the views of most, if not all, other boards when it wrote:

> Audited Financial Statements show that operations and maintenance expenditures (the cost of maintaining, cleaning, heating, and lighting) exceed the total per capita grant received from Government. These are expenses which all Boards must meet regardless of the state of their finances. Before any pupil receives educational funding we must provide comfortable and clean buildings - an accommodating school plant. For Boards whose enrolments have steadily decreased, some over 30%, the deficient grants have not been sufficient to meet these costs. Operations and maintenance costs do not decrease when enrolments decrease. We must at least provide Boards with sufficient funds to open the schools under their care. If we accept this fact, we must then provide a method of financing that is more equitable to all.

In discussing the grants formula itself, there appeared to be almost complete consensus that no relationship exists between the number of students enroled and actual cost in this area. Boards argued that grants for operating and maintenance purposes should

take into account a number of variables such as geographic location, climate, per pupil square footage, and the condition of school buildings. A sample of comments by school boards will illustrate their views on this matter. The comment from the Pentecostal Assemblies Board is taken from its brief to the Task Force; the comments from the other boards are taken from the Whey Report.

Bay St. George: Factors to be addressed: Geographical location, square footage, types of heating, physical condition of building, and negotiated budget based on past costs. The present system of operation grants is not adequate. Our student enrolment is declining but still have operations and maintenance costs of schools.

Terra Nova: Other factors

- Level of program equipment available
- Condition of program equipment
- Safety condition of instructional areas
- Accessibility into/inside buildings
- Geographical location as it relates to telephone costs and energy consumption costs.

Labrador (R.C.): Climatic conditions, increases in fuel costs, increases in equipment costs, age and design of facility. Many of our buildings were constructed without adequate insulation . . . Now the operation of these buildings is a drain on our finances.

Labrador East: Consideration must be given to the geographical nature of the school district when funding. Cost of travel, climatic conditions, sq. footage of buildings need to be taken into account.

Vinland: All of the above factors impact on the cost of operating school facilities, some items should be formula funded, while others should be based on actual cost. Most emphasis should be placed on cost differentials . . . we have some small schools that the proportionate per pupil operating grant would not pay the heating costs alone.

St. John's (R.C.): Factors to be considered: (a) Geographic after a determination of a basic funding derived from floor area. (b) The number of students is a key factor in determining operating and maintenance funding requests, with some adjustments being made for declining enrolments. (c) The physical condition of the building must be considered. (d) A negotiated budget based on previous costs could only be universally considered if the previous costs are based on zero-based budgeting concepts.

> Fixed costs such as salaries, heat and light, transportation, etc. should be provided for by some kind of formula that provides for equity but also makes appropriate provision for factors such as geography, climatic differences, pupil population and square footage of facilities. (Pentecostal Assemblies School Board)

A number of school boards contended that small schools present a special problem in educational funding. They submitted statistical data to demonstrate the higher per pupil cost in small schools where square footage per pupil is generally higher. The problem is compounded in areas where there are small schools and unfavourable geographic conditions, a combination which occurs in the northern regions of the Province and to a lesser extent on the south coast. The Vinland Integrated School Board reported on this in some detail and concluded that for schools with fewer than 150 students, it did not receive sufficient operating grants to keep them open. With the limited tax potential in rural areas of the Province, this leaves little room for expenditure on other educational necessities. Whey's survey tended to support the conclusion of the Vinland Integrated Board:

> From our limited sampling of selected small schools, it would appear that any school having fewer than 50 pupils will have higher than average per-pupil and square footage costs to operate and maintain school buildings. Special financial consideration should be given to operation and maintenance costs of such small schools, since there are 50-60 such schools in the Province.

Another factor must be addressed in any discussion on educational funding: that is declining enrolments. Since enrolments in this Province peaked at 163,000 in 1971, they have declined to about 133,000 in the current year, a decrease of 25 percent over 18 years. However, the average decline within the next five years is predicted to be over 2 percent per year. The biggest impact of declining enrolments on funding is felt in the operation and maintenance of schools. A decline in numbers does not usually mean a reduction in the cost of heat, light, janitorial services or regular maintenance for the same building. The Avalon Consolidated School Board described the results of declining enrolments on maintenance needs as follows:

> The Provincial Government allocates money to school boards on the basis of pupil numbers and, when pupil enrolments decrease, as has been happening in our Board over the past decade, income from the Provincial Government consequently decreases. However, the Board's actual expenditure increased. A small pupil decrease per year does not materially affect maintenance costs because the basic cost of maintaining school buildings does not decrease with a nominal decrease in pupil numbers. Only when a pupil decrease is of such a magnitude as to require a school board to close a school are maintenance costs affected in a noticeable way.

Even though the Department of Education has responded in a positive manner to this situation, by introducing an adjustment grant, virtually all school boards are dissatisfied with the amounts granted.

Perhaps the most graphic description of the effect of declining enrolments on funding was made by the Green Bay Integrated School Board. The following quotation was taken from its submission to the Task Force:

> Much has been said in recent years about enrolment decline and its effects on educational funding. High level government officials and politicians have advanced the argument that fewer students mean that fewer dollars are required to maintain educational services. These arguments can be very seductive to the uninformed. They are based on such false premises as referred to above: that the pupil is the per unit cost of education. They are premised on the assumption that the quality of educational services and facilities are frozen in time. Such arguments fail to see that a ten percent enrolment decline in a school of 300 students means only three students fewer in each classroom. It means only 27 students rather than 30 in each classroom. That decline does not affect in any way the cost of heat and light. It does not reduce janitorial requirements. The board cannot now clear away only 90 percent of the snow nor repair only 90 percent of the roof. The teachers cannot travel only 90 percent of the distance to in-service sessions nor can the school get by with only 90 percent of a project.

This inadequate and unsuitable method of funding has resulted in two serious consequences, according to submissions received by the Task Force. One is that the instructional program has been neglected, as we have already noted. School boards have had to spend a disproportionate amount of their current revenues to keep their buildings

open, and, consequently, have had very little left for such essentials as resource materials and teaching aids, let alone, program development and in-service training of teachers. This point was articulated very clearly by most of the school boards, and by a number of teacher groups.

The other consequence is that some school boards were so stringent in economizing on building repairs and maintenance that a serious deterioration of facilities took place over the years, and now major costly repairs are necessary. Perhaps this point was expressed a little more forcefully in the brief of the Conception Bay South Integrated School Board. We, therefore, quote from that brief as follows:

> With respect to maintenance, we have also been facing and will continue to face a serious problem. Each year we need to carry out a comprehensive preventative maintenance program on at least one or two of our facilities. In fact, ten years ago, because of a serious deterioration problem in one of our schools, we began such a program. This program of re-caulking of windows and doors, painting buildings (inside and out) and doing general repairs such as replacement of broken glass, etc. lasted only three years. We painted about three of our schools inside and have resorted ever since, because of more immediate problems, to a band-aide approach to preventative maintenance. We now have about five of our seven schools desperately in need of a major overhaul but we have no funds to carry out these needed repairs. The time will come, within the next five to ten years, where major problems will be encountered and there will be a major outcry in the community about the state of our schools. It is obvious we are operating under a totally false economy when it comes to the provision of a preventative maintenance program for our facilities in this district, based on the money available to this school board from the Government and local taxes.

Options and Proposals

Before considering alternatives to the present funding arrangement, it might be useful to examine the relevant cost data prepared by Whey in his survey for the Task Force. Whey subdivided the operation and maintenance cost into five categories. They were: 1. heat and light, 2. telephone, 3. janitorial services, 4. maintenance, and 5. other

costs. His analysis of per pupil costs in each category is given by board, grouped by size in Table 11-1. The Labrador Boards and the Seventh Day Adventist Board are grouped separately because of their special circumstances.

An examination of Table 11-1 suggests that even though there are variations among boards, there is not a very strong correlation between per pupil costs in this area and the size of school districts. In category 1 the higher costs were, with one or two exceptions, in districts where the proportion of small schools was high. Geographical factors may also come into play here, since most small schools are in rural or isolated communities. The type and condition of the buildings may also be a factor. The table also indicates considerable variation in the per pupil cost from one board to another in janitorial services, maintenance, and miscellaneous costs. Again, there does not appear to be any particular pattern emerging from the figures. Perhaps the explanation for this is that the variations can be attributed more to such factors as collective agreements, different school board policies and the amount of funds available than to the size of the districts or their location. Consequently, our study of Table 11-1 does not suggest any weighting procedure or better formula for funding in this area.

However, no board recommended a continuation of the present formula. The recommendations from school boards represented a variety of approaches to funding this component of the budget. They included, in one form or another, the major alternative procedures discussed in Chapter 7. The following quotations from the Whey report indicates the divergence of their opinions.

> Burin Integrated: The fundamental principle for appropriations to school boards will be by the negotiated budgets: (a) Budgeted costs for essential services; e.g., heat, light, telephone, support services will be relative to the historical record for these services. (b) Unit costs of providing basic service will be comparative with unit cost in similar geographic locations and for similar demographic conditions.

Table 11-1

A Breakdown of Operation and Maintenance Costs By School Board and Category of Expenditure For 1987-88

Enrolment	School Board	Per Pupil Costs				
		Category 1	Category 2	Category 3	Category 4	Category 5
<= 2,000	Vinland	$107	$8	$125	$37	$7
	Cape Freels	115	8	120	36	11
	Bay d'Espoir-Her.-F. Bay	102	8	122	44	5
	St. Barbe South	116	8	146	29	6
	Conception Bay Centre	91	6	120	79	8
	Avg. Cost	106	8	127	45	7
2-4,000	Strait of Belle Isle	95	9	113	28	5
	Deer Lake	78	8	107	61	10
	Green Bay	105	10	65	47	12
	Notre Dame	102	8	114	52	13
	Burin Peninsula Int.	95	7	105	31	5
	Port aux Basques	83	5	120	50	7
	Conception Bay South	64	6	109	28	10
	Bay St. George	108	8	124	53	11
	Conception Bay North	92	6	95	60	11
	Exploits White-Bay	96	10	105	70	13
	Ferryland	92	8	169	44	2
	Gander-Bon.-Connaigre	110	7	118	39	5
	Placentia-St. Mary's	92	6	130	28	4
	Port au Port	87	10	97	69	14
	Avg. Cost	92	8	110	47	9
4-6,000	Exploits Valley	107	9	102	64	8
	Bay of Islands-St. Georges/B/R	98	8	145	13	10
	Burin Peninsula RC	108	12	116	92	15
	Humber-St. Barbe	97	7	66	132	21
	Avg. Cost	102	9	101	82	14
> 6,000	Terra Nova	94	10	113	39	13
	Bon.-Tri.-Pla.	75	10	95	58	13
	Avalon North	87	7	95	61	7
	Avalon Consolidated	84	10	86	99	8
	Pentecostal Assemblies	112	8	142	97	12
	St. John's	79	6	164	55	48
	Avg. Cost	88	8	128	68	23
	Labrador East	135	11	144	94	16
	Labrador West	43	7	122	87	15
	Labrador	71	10	100	181	15
	Avg. Cost	83	9	120	127	15
	Seventh Day Adventist	123	20	133	67	8

Category - 1 (Heat and Light), 2 - (Telephone), 3 - (Janitorial Services), 4 - (Maintenance), and 5 - (Other Costs)

Source: The Whey Report

Bay d'Espoir: Probably it is more important to use a negotiated budget approval rather than attempt to develop a formula using the various factors.

Conception Bay Centre: The best way to operate this particular aspect of a school board operation is through a negotiated budget based on previous costs.

Straits of Belle Isle: Formula should be based on operations and maintenance based on, size, condition, type of heating, geographical location of buildings. Negotiated budgets too often open to abuse by strong negotiations and remove the responsibility of keeping costs down at board level, since higher costs could be offset by higher allocations. Boards must be encouraged to upgrade buildings to make them more energy efficient with existing penalties being removed - i.e. Heat and light adjustment grant. Must have a formula with "accountability".

Humber-St. Barbe: A negotiated budget based on previous costs would not be a realistic way to suggest funding for the future, excepting only the cost of utilities, a more realistic approach would be to establish the most of all repairs and maintenance required as per boards' five-year plan.

Green Bay: Any funding formula ... in addition to being responsive to individual circumstances of all boards, should provide an incentive to consolidate facilities wherever possible. Perhaps a sliding-scale grant system based on a floor-area basis might be a workable alternative to the present grant structure. The Department of Education would pay a set amount per square foot per pupil up to recommended provincial standards. All floor area in excess of Provincial standards receive a reduced grant per square foot.

Conception Bay South: Square footage, - physical conditions of buildings, - Number of pupils.

Notre Dame: Combination of (a) size of school, (b) number of pupils, and (c) physical condition of building.

It was interesting to learn that a surprising number of school boards recommended negotiated budgets. But a clear majority seemed to prefer a formula that takes into account certain physical and geographical factors, and is based on the number of students and the amount of space to be operated and maintained. For reasons already given in Chapter VII, the Task Force is reluctant to support the concept of a negotiated budget. Among other possible options, statistical data submitted by a number of school boards and the conclusions of the Whey survey indicate that a grant, based on a

combination of square footage and the number of pupils registered, would come much closer to meeting actual needs and costs than the present formula. Common sense would suggest that the size of the building is a more important factor in determining the costs of operation and maintenance than the number of pupils in attendance. Furthermore, such a grant would be relatively simple to administer.

After considering the alternatives, the Task Force recommends a formula based partly on the area to be served and partly on student enrolment, with about equal emphasis on each. The figures suggested for 1989-90 are based on the analysis of costs in the Whey Report, and they take into account inflation, declining enrolments, and a need for increases in areas where insufficient funds were spent in the past.

Recommendation 11.1

We recommend that the approved level of funding for the operation and maintenance component for 1989-90 be:

(a) An amount of $25 per square meter of approved space.

(b) An amount of $12,000 for each unit of 50 pupils enroled in the district.

A word of caution should be introduced at this point, since grants based on area have a number of potential weaknesses associated with them. For example, the condition of school buildings, the type of construction, the method of heating, and other such factors, as well as size, obviously influence the costs of operation and maintenance. Another consideration is the possibility that unnecessary space would be maintained unless there were controls or incentives to keep it at an appropriate level. To avoid such weaknesses and to introduce a square meter grant effectively, we feel that it would be absolutely necessary for the Department of Education to develop a Provincial set of

standards and guidelines to take into account the various types of buildings and to control the amount of space to be funded.

Recommendation 11.2

We recommend that the Department of Education establish a set of guidelines , including possible weightings for different classes of buildings, to be applied when administering the square meter portion of this formula.

The geographical factors contributing to operational and maintenance costs will be addressed in the chapter on geographical factors.

Chapter 12

GEOGRAPHICAL FACTORS

Throughout this Report we have kept emphasizing that educational needs and costs vary greatly from one region of the Province to another. We have contended that the per pupil costs of delivering educational services are much higher in remote or isolated communities than in others. We pursue this matter further in this chapter and focus on the special financial problems resulting from sparsity of population, isolation, and severe climatic conditions.

Current Problems

The problems related to isolation are probably more severe in Newfoundland than in any other province in Canada. Newfoundland has a population of only 568,000 living in 371,634 square kilometres, and 43 percent of those people live on the Avalon Peninsula. Over half the people in the Province live in small, rural communities, many of which are isolated in the sense that they are not joined to any other parts of the Province by road or rail. Some idea of the degree of isolation can be gathered from the following information: Fifty of the Province's 555 schools are accessible to their school board office only by boat or aircraft. Fifteen of these schools are accessible by continuous ferry service, five others by a seasonal ferry service, and a few others by periodic visits from a coastal boat in summer months. For 19 schools in the Province, the normal means of transportation to and from the school board office is by air.

While isolation is a factor affecting the cost of operating schools in some regions of the island portion of the Province, it presents a much bigger problem in Labrador. Labrador has a student enrolment of 8,229, or 6.2 percent of the total enrolment in the Province. But these students live in 35 communities scattered over 265,437 square kilometres or 71.4 percent of the total area of the Province. For two of the three boards with central offices in Labrador, most of their schools can only be reached by plane, which is also the normal means of transportation to and from the bigger centres of the Province.

The effects of these geographical factors on the delivery of educational services are plain to see. First of all they result in a big number of small schools, the financial implications of which have already been discussed in Chapter 7. Second, they lead to exorbitant travel costs when aircraft have to be used or chartered to reach schools for supervisory or maintenance purposes. Finally, the costs of goods and services are considerably higher in these isolated communities. The following quotation from the submission of the Roman Catholic School Board for Labrador illustrates the point very clearly:

> Isolation: The Roman Catholic School Board operates nine schools which are spread over an area that is two and one half times the size of the Island portion of our Province. Access to our three coastal schools from either the Wabush, Happy Valley or Sheshatshit offices can only be gained via an expensive long distance telephone call or a very expensive two or three day trip utilizing airplanes, vehicles, snow machines and overnight accommodations. Access to the three Labrador North schools and the offices at Happy Valley and Sheshatshit can only be gained from the Wabush office via an expensive long distance telephone call or a very expensive overnight trip utilizing an airline, a rented vehicle and overnight accommodations. Coastal travel depends on visual flight regulations which often results in much longer and more costly than anticipated stopovers in isolated coastal communities. Given the nature of Labrador postal service, contact with a school in the district usually means an expensive long distance telephone call. Given the geography of the district, a meeting with our school administrators or central office personnel is a financial impossibility.

The views of the Roman Catholic School Board for Labrador are supported by the Integrated School Board for Labrador East. That board wrote as follows in its submission:

> Geographical Nature of District: This board has been charged with the task of delivering elementary and secondary education within a geographical area that extends from Lake Melville in Central Labrador to Nain in the north and Paradise River in the south. This is an enormous task which taxes board resources to the limit. Six of the communities served can only be reached by air for most of the year. A seventh community can be reached by boat in summer and snowmobile in winter. The geographical nature of this district dramatically increases the cost of such items as telephone, postage,

maintenance, staff travel and teacher inservice. There is also the inherent difficulty of building a school system in a diverse and disparate district where contact among colleagues is infrequent and sporadic.

Finally, we quote from the submission presented by the Vinland Integrated School Board which addressed the problem as follows:

> The Vinland Integrated School District operates fifteen (15) schools. Eight (8) of these schools are on the tip of the Great Northern Peninsula from St. Anthony to Cook's Harbour. Seven (7) schools are located on the Labrador Coast from Lodge Bay in the south to Norman Bay in the north. Our schools range in size from a K-9 school with fifteen (15) students to a K-7 school with four hundred eighty two (482) students.
>
> With the exception of two (2) schools, the other five (5) schools in the Labrador Coast are isolated in the sense that they are not interconnected by road. Three of the schools are located in communities with airstrips - Mary's Harbour, St. Lewis and Port Hope Simpson. We visit the schools in Labrador by bush plane, boat and snowmobile, depending upon the time of the year. (Labrador Airways operates a Monday to Friday service from Goose Bay and St. Anthony). Lodge Bay can be reached by road from Mary's Harbour.

The Labrador school boards also emphasized two other factors they consider important for the regions they serve. They are the provision of educational services for native people and the different bargaining unit for teachers in Labrador West. With respect to the second matter, the Labrador West School Board had a specific concern.

> Local Contract Support: The government granted a separate bargaining unit to teachers in Labrador West. That unit has articles which are funded totally from local funds provided by school taxes and the mining companies. If the local funds are cut off during a contract, there are certain articles which may be reduced or dropped; however, even with a phase down of benefits, the board could well face bankruptcy. Given the original willingness of the government to set up the separate bargaining unit, there should now be a similar willingness by government to bear the burden of any phase down if local funding were to be removed.

Although the Task Force recognizes the financial implications of these two factors no recommendations are made in this Report because special funding arrangements

are made for them through a special Federal/Provincial funding agreement and through private donations. The government should be aware of the possible phase out of funding from the mining companies and should develop a policy to address the problems that may occur. A description of the Native Agreement is found in Chapter 13 of this Report.

Options and Proposals

There is no simple solution to the financial problems confronting school boards in their efforts to provide educational services to small, isolated communities. Nevertheless an attempt must be made to find one. Even though geographical conditions are much less severe in other provinces, most of them have incorporated special considerations for remote areas into their funding arrangements. British Columbia provides additional funds for "dispersed schools". A dispersed school is one more than 30 kilometres from the main school board office, or the only school of its type within 30 kilometres of the office, or one separated from the office by water. Both Alberta and Saskatchewan have sparsity factors for remote areas. In Alberta, the additional assistance is built into its equalization grant. In Saskatchewan, it is taken into account when per pupil grants are calculated for northern schools. Ontario, too, has a higher level of funding for schools in the northern part of the Province. In Quebec, there are special funds to compensate for such conditions as distances between the school board office and schools, distances between the school board offices and Montreal or Quebec City, and the higher cost of goods and services in remote communities. (C.M.E.C.,1988)

All the Newfoundland school boards serving people in the more remote regions of the Province agreed that additional funding is essential for schools in these areas. It is interesting to note, however, that none of them recommended a system based on actual costs or negotiated budgets. They seem to prefer a formula adjusted to compensate for the additional costs resulting from geographical factors. The Labrador East Integrated School Board wrote as follows:

Weighted Student Grants: We recommend that the various per pupil grants

be discontinued in favour of a weighted student grant. The weighted student grant should include such factors as the geographical diversity of school districts, the number of small schools, ease of travel, and so on. If costs, for example, were found to be 50% higher in Labrador then each student in this district would be weighted 1.50. This district would then have 3300 (2200 x 1.50) weighted students. Our per pupil grant would then be based on 3300 students.

The position of the Straits of Belle Isle School Board was expressed in this way:

> Per pupil grant for the following but weighted in favour of small schools and compensating for such factors as: number of small schools, inhospitable climate, declining district enrolments, geography and modes of travel, library grants, instructional materials, administrative costs, itinerant teachers, special education costs, inservice education for teachers, program coordinators' travel, school board meetings, telephones, advertising and miscellaneous cost.

The proposals contained in Chapter 7 to 11 of this Report attempt to weight grants in favour of districts with greater financial needs. They also include such features as basic or start-up grants for specific purposes, and grants based on square footage for operation and maintenance. However, we realize that these measures in themselves do not go far enough so we have developed a further proposal based on the degree of isolation or remoteness as determined by distances between the central office and its schools, and the modes of transportation involved. For a school to be considered remote, it must be inaccessible to the central board office by road, or be located more than 80 kms from it, if there is a road connection. We have also included additional assistance for school boards whose only access to the larger centres in the Province is by air.

Recommendation 12.1

We recommend that the approved levels of funding based on the total number of kilometres between the school board office and each school in the district, for 1989-90 be:

(a) $25 per km for the first 2000 kms by road
$15 per km for the next 2000 kms, and
$5 per km for kms in excess of 4000.

(b) $75 per km for the total kms by boat; and

(c) $150 per km for the total kms by airplane

Recommendation 12.2

We recommend that additional funding be approved as follows for 1989-90 for school boards whose central offices are located in Labrador:

$30 per km for the number of kilometres between the central office and Deer Lake Airport.

Chapter 13

CAPITAL RELATED ISSUES

> Although it is not within the mandate of the Task Force to address in detail the whole area of "capital funding", it is difficult to discuss such matters as adequate programming without discussing the adequacy of school buildings. Facilities and programs are inextricably linked. As stated earlier in the presentation, there are many school buildings in the province which lack the facilities to present the programs being offered. There must be a concerted effort to address this situation as the needs are critical. The funding bodies i.e. the Denominational Education Councils, are only able to respond to less than twenty percent of the requests for improved facilities. The net effect of this shortfall is that it is possible that whole cohorts of students in this province may progress through their entire "schooling" without having ever experienced adequate facilities. Unless there is increased funding and/or more creative ways found to finance school construction in this province, this situation will not improve. Indeed, it must also be stated very emphatically that unless there is a major effort put into school construction and reconstruction, many of our program initiatives will not be realized. As stated above, this district does <u>not</u> have <u>one</u> high school which has the necessary facilities to fully address the needs of the Revised High School Program. Unless there is a priority placed upon the provision of adequate facilities this situation will change very slowly. (Roman Catholic School Board for Conception Bay North)

The above quotation puts this chapter in perspective. Capital funding is indeed excluded from the Terms of Reference of the Task Force; however, it is impossible to study the provision of basic education programs without considering capital related matters. As the quotation implies, a basic program cannot be offered unless there are adequate school facilities. In the light of our mandate, therefore, we do not focus on capital funding, but we do comment and make recommendations on those capital related issues which we feel directly affect access to basic or quality educational services in the province.

Current Problems

We have reviewed all the capital related problems raised by various groups in their submissions to the Task Force. These problems seem to naturally fall into two

main groups, those associated with debt retirement, and those associated with the adequacy of school buildings and equipment. Our discussion concentrates on these two broad problem areas.

Long-Term Debts

The audited financial statements from school boards show that the total debt outstanding for all boards at the end of the 1987-88 school year was $27,329,203. In their submission to the Task Force, the Denominational Educational Councils maintained that the major factor contributing to this extensive debt is the inadequate grants that school boards receive for the operations and maintenance of schools and the inability of the present capital grant to meet existing needs. The amount required to service that debt was $5,179,038 per year. Since these debts are classified as long-term it is assumed that most, if not all of them, are capital in nature. More specific information on these debts is set out in Table 13-1.

Under the present financial structure in education in this Province, long-term debts have serious implications for school boards. The most obvious implication is that the more boards must spend on debt retirement, the less able they are to meet current requirements, especially in view of the limited financial resources at their disposal. Many boards expressed their views very forcefully on this matter. A quotation from the Bay of Islands-St. George's-Ramea-Burgeo Integrated School Board illustrates the point:

> First, this board, like a great many others in the Province, is burdened by a great debt load, which was incurred at a time of expansion and rising expectations. These conditions resulted from the implementation of the reorganized high school program and the increased awareness among parents of the advantages associated with enriched curricular options, a lower pupil-teacher ratio and the willingness of more highly qualified teachers to deploy their skills in rural Newfoundland and Labrador. Concurrent efforts to pay off the principal and interest associated with these obligations and to maintain quality educational opportunities throughout a district as diverse as this one and to cope with a diminished value in the grants as a result of sector inflation and declining pupil numbers are impossible.

Table 13-1

Total Outstanding Long-Term Debts of School Boards 1987-88

School Board	Enrolment	Total Debt Outstanding	Total Debt Service Cost	Outstanding Debt Per Pupil	Debt Service Cost Per Pupil
Vinland	1,756	$771,914	$130,177	$440	$74
Strait of Belle Isle	2,106	480,928	91,273	228	43
Deer Lake	2,562	489,594	120,059	191	47
Green Bay	3,216	1,124,762	200,662	350	62
Exploits Valley	4,337	1,066,086	224,420	246	52
Notre Dame	3,173	238,000	241,234	75	76
Terra Nova	6,677	2,012,683	458,132	301	69
Cape Freels	1,500	134,453	33,098	90	22
Bon.-Tri.-Pla.	6,489	1,494,760	249,284	230	38
Avalon North	9,138	0	0	0	0
Avalon Consolidated	11,686	3,930,961	549,075	336	47
Burin Peninsula Int.	3,565	1,406,568	249,504	395	70
Bay d'Espoir-Her.-F. Bay	1,879	1,136,437	167,662	605	89
Port aux Basques	2,604	63,625	15,506	24	6
Bay of Islands-St. Georges/B/R	6,746	1,805,839	385,734	268	57
St. Barbe South	1,684	187,117	31,103	111	18
Labrador East	2,236	924,706	220,642	414	99
Labrador West	2,038	383,477	154,023	188	76
Conception Bay South	3,359	558,794	92,284	166	[illegible]
Pentecostal Assemblies	6,903	2,150,000	323,620	311	[illegible]
Bay St. George	2,171	777,488	128,141	358	[illegible]
Burin Peninsula R. C.	4,170	1,352,753	191,516	324	[illegible]
Conception Bay Centre	1,708	7,000	33,259	4	[illegible]
Conception Bay North	2,511	45,444	25,702	18	10
Exploits White-Bay	2,754	0	0	0	0
Ferryland	2,135	0	0	0	0
Gander-Bon.-Connaigre	2,706	682,093	104,545	252	39
Humber-St. Barbe	4,224	626,236	92,214	148	22
Labrador	2,916	1,406,238	215,326	482	74
Placentia-St. Mary's	3,422	0	4,436	0	1
Port au Port	3,677	952,421	135,728	259	37
St. John's	19,866	866,169	258,978	44	13
Seventh Day Adventist	314	252,657	51,701	805	165
Total	136,228	27,329,203	5,179,038	201	38

Source: Department of Education

The other implication involves the important concept of equity. A further look at Table 13-1 will show that the cost of servicing long-term debts varied from nothing in some districts to $165.00 per pupil in another in 1987-88. Even though some advance the argument that boards with heavy debts are more likely to have better educational facilities. The fact remains that many boards have much less than others to spend on educational programs because they have committed a large portion of their revenue to

building schools. This contributes to inequity among boards. In fact, one board made the point that no funding method, regardless of how equitable, would be fair to school boards unless all boards are first placed on a relative level in terms of capital debt.

The provincial authorities are obviously aware of the difficulties associated with long-term debts. They recently instituted a new policy which limits a school board's debt to the extent that service costs will not exceed 10 percent of operating revenue. This is a commendable measure, but the 10 percent limit may still be considered somewhat high. Moreover, according to our calculations, in June, 1988, eight school boards in the Province exceeded that limit because of debts already accumulated at that time.

School Facilities

The problems associated with facilities include the replacement of obsolete buildings with new ones, the extension and renovation of existing buildings to accommodate new programs (especially at the junior high and senior high levels), improvements to make existing structures conform with health and safety standards, and the provision of accessibility for handicapped students.

In spite of the substantial progress made in school construction in this Province in recent years, the need for new and improved school facilities is still very high. The Denominational Educational Councils emphasized this need in their brief to the Task Force. According to their submission, the needs, as assessed by school boards, can be summarized as follows:

Catholic Educational Council	$ 47,794,789
Integrated Educational Council	84,565,004
Pentecostal Assemblies Council	14,481,000
Total	$146,840,793

If the application for funds for fire safety standards and Upgrading were added to this, the total requirement would be well in excess of $150,000,000. The submission further states

that the current applications from school boards illustrate the deficiencies in school facilities and, hence, the inability of school boards to provide equitable program opportunities to all students. The following selection of quotations from school board submissions give some indication of the problem from the point of view of school boards.

> Three of our nine schools have been targeted for replacement. In addition, there is a need to upgrade the remaining six as indicated in Appendix A. Of these nine schools, only St. Michael's Elementary (A DREE funded school) has an appropriate sized gymnasium and cafeteria; only St. Joseph's High School has rooms for Industrial Arts and Home Economics; only three schools have science laboratories; and only three have computer rooms. (Bay St. George R.C. School Board)

> We need a massive infusion of capital funds, otherwise, the few dollars available for instructional material will continue to decrease as we strive to keep windows from falling out and roofs from tumbling in. (Bonavista-Trinity-Placentia Integrated School Board)

> At the present time there is no special funding for individual physically handicapped students who are taught exclusively in regular classes. There are, however, financial considerations which exist such as adaptive equipment and furniture which must be purchased or built relating to the child's physical disability. Since the board endeavours to foster a neighbourhood school approach to the placement of all students, building accessibility is of grave concern. The cost of providing handicapped accessibility is estimated at $1.3 million, yet there are no grants. (St. John's R.C. School Board)

> While this brief and your Task Force, as we understand it, are primarily concerned with operational costs; we cannot ignore the facilities that will be required to offer the instructional program we envision for our children. This brief certainly earlier indicated that we are experiencing great difficulty with providing adequate facilities. In fact our efforts have provided and are providing difficulties for our instructional program. (Pentecostal Assemblies School Board)

> At present, the need for new schools, extensions and renovations, will take years to be addressed under the existing $20,000,000 yearly capital grant. Even then, the schools that have been completed within the last ten to twenty years will still require substantial funding to meet the ever changing demands of the technological society of the twenty-first century. Without a major increase in capital grants we will not meet the first level demands, new construction by today's standards, for years to come. Our students cannot wait that long. (Placentia-St. Mary's R.C. School Board,)

> Special education services for physically and mentally handicapped students have been increased considerably over the past number of years. Costs for special equipment, renovations to buildings for accessibility purposes, toilet adaptations, and lifts and elevators are not being provided because the finances are not available. (Avalon Consolidated School Board)
>
> The traditional classroom is now only one part of a building. Construction must make provision for Resource Centers, Science Labs and gymnasiums, as well as administrative areas and sophisticated storage. Facilities must be able to cater to specialist subject areas, resource based teaching methodology and learning centers. The emphasis on Industrial Education demands workshops and power tools, Business Education demands typewriters and Special Education and the Trainable Mentally Handicapped must have appropriate facilities and resources. In short, construction of the future, even of the present, must be a detailed accommodation of the curriculum to ensure that absolutely minimal requirements are met from this point of view. (Conception Bay Centre R.C. School Board)
>
> Over the past five years there has been considerable emphasis on making schools accessible for the handicapped. The government should survey the school districts and assess the overall needs for the provision of accessible facilities. Once assessed, a program could be introduced, via the DEC's if necessary, which would meet the accessibility requirements on a priority basis.
>
> The aim should be to use equipment which is relatively easy to move from school to school as the demand changes. (Labrador West Integrated School Board)

The observations of school boards regarding inadequate school facilities are supported by the survey conducted for the Task Force by Dr. F. Riggs. He reported that:

> . . . nearly 40 percent of all primary and elementary schools have no library, and nearly 70 percent have no gymnasium. There is no science laboratory in nearly one half of the small high schools in the Province. Industrial Arts rooms are found in few of the small high schools. The discrepancy in facilities between small and large schools is obvious. In the context of the reorganized high school programme it appears likely that the absence of libraries and science laboratories has a serious negative impact, both in the choice of subjects and the ability to do well in subjects which are chosen (p. 18).

It should be reported that there were several school boards which did not stress capital needs as a great concern at the present time. They are probably boards which undertook major building programs in recent years, and may be the ones with the heaviest debts at the present time. However, regardless of whether boards have heavy, outstanding debts, or inadequate school facilities, the effect on the educational program is the same. In the first case boards do not have sufficient funds after their debts are paid to properly deliver the range of programs desired, in the second case boards are not able to offer the programs they wish because they don't have the facilities to do so. In both cases, the quality of educational opportunity suffers.

Options and Proposals

The opinions expressed by groups making representations to the Task Force, relating to the matter under discussion, are summarized below, together with our recommendations.

Debt Retirement

In July, 1988, *The Schools Act* was amended to remove the condition that no allocation by the Denominational Education Councils for the construction and equipment of school buildings exceed 90 percent of their cost. In effect this meant that school boards would no longer be legally required to find 10 percent of the cost of school buildings. While this amendment offered much needed fiscal relief to school boards building new schools, it provided no help to those which had already accumulated heavy debts. The failure of Government to assume a measure of responsibility for school board debts was viewed by some groups as a lost opportunity to reduce financial inequality among school boards.

On the issue of long-term debt retirement there was wide spread agreement among all groups reporting that Government should provide special financial assistance to

the boards involved. The views expressed were, perhaps, summarized best by the Denominational Educational Councils when they wrote:

> The size of the long-term debt of some of our school boards and the relative debt servicing costs are so high that it is doubtful if any "across the board" increase in operating grants will be sufficient to solve their problems. These school boards will need special help from Government to be relieved of this burden of debt.

As to solutions, a number of different options were advanced. Some schools boards recommended that all debts in excess of 10 percent of operating revenue (a limit now in force) be assumed by Government; others suggested that all debts in excess of 5 percent should be taken over by Government. The majority, however, argued that since Government appears to have assumed full responsibility for school construction and equipment, it should also assume full responsibility for debts incurred by boards in building schools in the past. The Newfoundland and Labrador School Trustees' Association appears to support this position. It recommended that a formula approach be administered that would provide Government funding to allow boards to retire their capital debt load over the next five years.

However, there were one or two dissenting voices among school boards on this issue. In our preliminary hearings they took the position that it would be unfair for Government to make any attempt to reduce school board debts because they were deliberately incurred by boards which now have, and have had for some time, the advantages of better school facilities.

Despite their arguments, the Task Force supports the principle of special financial assistance to school boards with outstanding capital debts, because of the equity issue, and its potentially deleterious affect on the quality of educational programs. We, therefore, make the following recommendation:

Recommendation 13.1

We recommend that Government make the necessary financial and administrative arrangements with the Denominational Educational Councils to retire, over the next five years, all long-term capital debts accumulated by school boards.

Even with the introduction of the 100 percent funding policy there remains a strong possibility that some boards will continue to accumulate capital debts. A number of boards claim they often have to borrow money to fund the kind of facilities they need because Government grants are limited for each approved project. (Actually, Government grants did not increase when the requirement that boards raise 10 percent was removed, so the overall effect was less money for capital purposes.) Furthermore, some of the Educational Councils have policies which entitle boards to considerably less than 100 percent funding for certain types of capital works such as renovations, roof repairs, window replacement, and major maintenance. The Task Force is concerned about further debt accumulation and, consequently, makes the following recommendation:

Recommendation 13.2

We recommend that Government authorities enter into discussions with the Denominational Educational Councils and take appropriate steps to ensure that no further capital debts are incurred unless it can be established that none of the funds approved for operating purposes will be used for debt retirement.

Facilities

We have already emphasized the critical need for new and up-graded school facilities, not only to conform with changing building standards, but more importantly, to enable school board to offer new or revised programs with emphasis on technology and resource-based teaching. The submissions received by the Task Force offered a variety of approaches to dealing with this problem, some a departure from tradition. For example, one school board suggested an annual capital grant to school boards, separate from the funding through the Denominational Educational Councils. Another proposed the distribution of capital grants on a per pupil basis in the same way as operating grants are distributed. But a big majority of submissions dealing with capital matters seemed to prefer a continuation of the present arrangement with major increases in Government grants over the next five or ten years.

It is apparent to the Task Force that a major infusion of additional capital funds is necessary if we are to provide a reasonable level of educational opportunity for our children in the future. Without being specific regarding amounts, we make the following recommendation:

Recommendation 13.3

We recommend that Government significantly increase the funds it makes available to the Denominational Educational Councils for new school construction.

Of equal importance is the renovation and upgrading of buildings that are now below standard. We feel that this matter can be best addressed by a special grant.

Recommendation 13.4

We recommend that Government make available to the Denominational Educational Councils a special grant to assist school boards in upgrading their facilities: (1) to conform with present building codes, (2) to meet minimum requirements for curriculum improvement, and (3) to make them accessible for handicapped people.

There were several recommendations calling for a study to determine the most critical needs in terms of new schools, extensions, renovations, major repairs, and general upgrading. While most of these recommendations came from school boards, it is interesting to note that a similar recommendation was received from the Newfoundland Teachers' Association.

The Task Force supports this as a logical first step towards the solution to our current problems in this area. It seems most reasonable to undertake an objective assessment of capital needs, especially insofar as upgrading goes, before any major funds are committed. Moreover, it is almost certain that some form of survey will have to be undertaken to determine the adequacy of existing facilities if the revised junior high school program is to be successfully introduced. Even though the Denominational Educational Councils already have a great deal of information on all their schools, it is doubtful that they have all the up-to-date, detailed information which is desirable and necessary. We think that this study should be a joint effort on the part of both Government and the Denominational Educational Councils.

Recommendation 13.5

We recommend that the Provincial Government and the Denominational Educational Councils undertake a comprehensive assessment of all school buildings in the Province to determine what improvements are necessary to bring them up to an acceptable level by present day standards

Chapter 14

FINANCING GOVERNMENT ADMINISTERED PROGRAMS

There are a number of programs which are administered by the Department of Education and which are entirely or primarily funded by the Province. Even though these programs fall outside the realm of the regular grant system, they have financial implication for school boards and are therefore discussed in this Chapter. These programs are listed as follows: Native Programs, Bursary Programs, Bilingual Programs, Textbooks and Resource Materials, Pupil Transportation, Distance Education, and Prevocational Programs.

Native Education

The Federal Government, under Section 91.24 of *The Constitution Act, 1982,* has responsibility for natives in Canada. This includes responsibility for providing education to natives. At the time of Confederation, no formal decision was made regarding administrative and financial responsibility for programs and services to native residents of Newfoundland. This problem was partially addressed in 1954 when the federal government agreed to assume responsibility for hospital services and the financing of certain capital facilities including schools. However, it was not until 1965 that Ottawa responded to the province's request that Ottawa provide funding for building and operating schools for Indians and Eskimos living in communities along the Labrador coast.

By an exchange of letters between the Prime Minister and the Premier in 1965, a five-year funding arrangement was reached. In essence, this arrangement stated that the Government of Canada would re-imburse the province for 90 percent of certain expenditures made on behalf of Ottawa in the Indian communities of North West River and Davis Inlet, and 60 percent of the expenditures in the Inuit communities of Nain, Hopedale, Postville and Makkovik. Sixty percent was paid on behalf of the Inuit communities because that percentage roughly reflected the proportion of natives residing in them. In subsequent

years, other communities were added to the approved list, including the settlement of Conne River in 1974.

These funding arrangements were renewed by letter on a five-year basis until 1981. At that time, a formal federal/provincial agreement was signed by the two governments.

In 1985, the natives of Conne River were registered as status Indians according to the Federal *Indian Act*. Following this, they applied for, and were granted, responsibility for the operation of their own schools with support from the federal government. The province was requested to provide land to enable Ottawa to establish a reserve. An agreement between the two governments was signed in 1987 regarding the transfer of that land for purposes of creating the reserve.

The two present native funding agreements provide funding for the delivery of services for the benefit of native (as well, non-native) residents in certain communities in Labrador. These services include education. It should be understood that from an education perspective, the main purpose of the education element of the agreements is not to provide basic educational services but rather to respond to unique educational needs of native students in the communities. The provincial government provides the same basic level of service to these children as to all other children in the province. The grants provided for in these agreements are over and above those provided under the regular grant system, and are used mainly for the development of special curricula, the provision of special materials, and for additional facilities and staff.

In the current year, the agreement calls for an expenditure of $1,269,450 in the five Inuit communities. $879,225 of the total amount is funded by the federal government and the remainder by the province. The agreement provides for an expenditure of $492,535 on education in the two Innu communities. Of that amount $462,090 comes from the federal government.

At the present time, the total enrolment in the Inuit schools is 690, and in the Innu schools the enrolment is 390. Altogether, therefore, the agreement provides for an expenditure of $1,761,985 for 1,080 students, or, an expenditure of roughly $1,600 per student in excess of that provided by the province in its regular grant system.

The Student Bursary Program

The bursary program was designed to improve educational opportunity for pupils who live in small communities where they do not have access to adequate high school services. Under *The Bursary Regulations,* senior students (Grades X, XI and XII) who would normally attend an all grade school with an enrolment of fewer than 150 students are eligible for a grant of $1750 per year to enable them to pay for board and lodging in a community where there is a school with an enrolment in excess of 60 in the senior grades. The regulations also make provision for bursaries for students below Grade X, if, in the opinion of the Minister, board and lodging are required for the student to attend school in another community.

The program was introduced 30 years ago (1958-59) when 500 bursaries of up to $500 each were made available to students in one room schools to encourage them to go to bigger schools to complete their high school education. In the first year approximately 100 students took advantage of the new service. The following year students in two and three room schools also became eligible, and the number of bursaries awarded increased to over 300. However, the number did not remain high for long. As new roads were built in the sixties, and amenities linking up many small remote communities, the centralization of small schools followed, and the need for bursaries gradually decreased. Today the number of students receiving bursaries appears to have levelled off at roughly 100 per year. The majority of these students live in remote coastal communities which have no road connections with other settlements.

In a number of districts the provision of bursaries to students is seen as a vital component in the delivery of educational services to isolated schools. The service has

proven popular and has not evoked serious criticism from school boards or parents except for occasional requests for an increase in the amount of the bursary itself. If the cost of living index were applied, the $500 grant in 1958 would be $2212 today instead of $1750. Moreover, a survey of the communities receiving bursary students has indicated that it costs from $2,000-$3,000 a year per student for board and lodging at the present time.

There is no doubt about the value of the bursary program in improving educational opportunity in the Province. Over the years several thousand students from small communities have successfully completed their high school education as a result of it. Without the financial assistance provided to them, many would have dropped out of school altogether because there was no suitable schooling at home and their parents could not afford to send them to another community. Consequently the Task Force feels that the program should be continued as long as it is needed, and the amounts of the bursary increased periodically to reflect increases in the cost of living.

Recommendation 14.1

We recommend that the Bursary Program be continued and that the amount of each bursary be increased in 1989-90 to $2,500 per annum.

Bilingual Programs

Following the proclamation of *The Official Languages Act* in 1969, the Bilingualism in Education Program was introduced in Canada The major objective of the program, which was renamed the Official Languages Program in 1971, was to provide equal access to education in English and French. From the beginning of the program in 1970, funding has been provided for it in a series of bilateral agreements between Canada and the Province.

The last Bilateral Agreement covered a five-year period beginning in 1983-84. Under that Agreement, the Province received approximately $15,000,000 to support second- and minority language initiatives. Most of these funds were provided to support second language programs, with less than 15 percent going to minority language programs. However, the amount of financial assistance designated for minority language programs has increased steadily in the last few years.

The Federal contribution to the Province for bilingual education is made in almost equal proportions under three categories as follows:

1. **Infrastructure.** This includes a formula grant based on the number of full-time equivalent students registered in French. The funds are intended to support regular ongoing programs and activities.

2. **Complementary.** This involves a minimum amount guaranteed for the life of the agreement, which is intended for developmental activities, teacher training and development, and student support.

3. **Discretionary.** This includes funds to be used for the same purposes as Complementary funds but they are guaranteed for only one year at a time.

Most of the funds received by the Province are spent in program development, teacher training and various forms of student activities. Any financial support to school boards is generally given outside the regular grant system in the form of additional personnel and materials.

The infusion of Federal funds into bilingual programs has enabled the Province to develop and implement a variety of second and minority language programs.

Anglophone parents now have access to a number of second language programs options, such as Core French, Early and Late Immersion, and Extended Core French. Francophone parents have begun to access the educational rights guaranteed in Article 23 of *The Canadian Charter of Rights and Freedoms*. Consequently, parents' expectations have been raised and will no doubt continue to rise in the future. It is important that the Federal Government continue to support this program, as it has in the past, otherwise, there will be severe financial implications for the Province.

Textbooks and Materials

Newfoundland has a highly centralized system for the purchase of textbooks and related materials. *The Department of Education Act* (Section 8) empowers the Minister of Education to furnish all schools with textbooks and audio-visual aids at or below costs. And *The Schools Act* (Section 59) requires school boards to use the courses of study and textbooks, authorized by the Minister, and distributed by the Curriculum Division, unless alternatives are approved. Textbooks are therefore purchased by the Department and distributed to school boards across the Province.

For some time now, the textbook distribution policy has included three separate components. They are:

1. Consumables, e.g. workbooks, which are sold to students at cost price.

2. Non-consumable texts, which are sold to students in high school, Grade IX and above, at 50 percent of cost price.

3. Non-consumable texts, for Grades K to VIII. These are supplied free in accordance with the following arrangement:

   (a) First year of use - supplied for total enrolment

(b) Second year of use - No replacement except for increases in enrolment

(c) Third and subsequent years of use - replacement for 20 percent of enrolment

(d) Part year of use - no replacement

In more recent years the Department has been experimenting with a Textbook Credit Allocation Plan. Under this arrangement, school boards are assigned a textbook allocation amount equal to the cost of issuing books under the traditional policy. If boards, through more efficient distribution and use within their districts, use up less than the allocated amount, 75 percent of the saving is passed on to them, and the remainder credited to the Department. This new plan appears to be working successfully, even though one or two boards expressed some reservation, and may be introduced on a Province-wide basis in September of this year.

No doubt this plan will provide some discretionary funds to boards for a limited period of time. However as text allocations are reduced to reflect the reduced costs, savings for boards are likely to disappear. In that circumstance there is a danger that students will be denied texts or that introduction of new texts will be unreasonably delayed. Implementation of the new plan should guard against these predictable outcomes.

Over the years the Department of Education has been concerned mainly with the distribution of textbooks and has placed little emphasis on supplying schools with teaching aids or materials. School boards were largely responsible for providing their own curriculum materials. However, with the new emphasis on resource-based teaching, the situation may be changing. In the last two or three years, the Department has provided schools with essential core materials in at least one subject area, when major curriculum revisions were introduced. The Department should consider expanding this practice to include other subject areas where new materials are essential to the successful implementation of the curriculum improvement.

Pupil Transportation

We have already made several references to the financial implications of transporting both regular and special students to and from schools in this Province. This, as we pointed out in Chapter IV, places an unequal financial burden on school boards. A few boards transport relatively few students, whereas others transport as many as three quarters of their total enrolment. In situations where the bussing is contracted out, the boards must raise 10 percent of the costs; where busses are owned and operated by school boards themselves, they recover the full costs from government grants. Consequently, the different arrangements add to the inequity in the system. Table 14-1 outlines the pupil transportation revenue from government grants, the actual expenditures on transportation, and the per pupil costs for each of the 33 school boards in 1987-88. The equalization grants for boards with higher than average costs are not included in these figures. Even though these figures are preliminary and may be subject to minor revisions, they convey a valid, overall picture of pupil transportation costs in the Province. Costs for school boards vary from little or nothing in some districts to around $25 per pupil in others.

Virtually all of the school boards in the Province, in either their written or oral submissions to the Task Force, advocated that the Department of Education assume full responsibility for pupil transportation. There have been some indications that the Department may be contemplating this course of action. The Task Force fully supports the proposal, not only to provide additional access to badly needed funds, but also to lessen the financial inequity in the Province.

Recommendation 14.2

We recommend that the Department of Education assume responsibility for 100 percent funding for all approved pupil transportation in the Province.

Table 14-1

Pupil Transportation By Board For 1987-88

School Board	Pupil Transportation (1) Revenue (Prov.Grant)	(2) Expenditures	(1)-(2)	Per Pupil cost to Bd.
Vinland	$412,005	$445,176	($33,171)	($18.9)
Strait of Belle Isle	465,639	517,376	(51,737)	(24.6)
Deer Lake	378,973	428,926	(49,953)	(19.5)
Green Bay	984,048	1,023,974	(39,926)	(12.4)
Exploits Valley	1,356,643	1,402,719	(46,076)	(10.6)
Notre Dame	1,334,487	1,332,265	2,222	0.7
Terra Nova	1,925,024	1,978,672	(53,648)	(8.0)
Cape Freels	290,479	304,175	(13,696)	(9.1)
Bon.-Tri.-Pla.	1,384,129	1,541,250	(157,121)	(24.2)
Avalon North	1,603,103	1,735,924	(132,821)	(14.5)
Avalon Consolidated	1,124,097	1,252,124	(128,027)	(11.0)
Burin Peninsula Int	686,556	737,619	(51,063)	(14.3)
Bay d'Espoir-Her.-F. Bay	202,752	225,280	(22,528)	(12.0)
Port aux Basques	403,294	448,104	(44,810)	(17.2)
Bay of Islands-St. Georges/B/R	100,374	121,916	(21,542)	(3.2)
St. Barbe South	329,821	366,467	(36,646)	(21.8)
Labrador East	594,944	643,283	(48,339)	(21.6)
Labrador West	337,298	370,253	(32,955)	(16.2)
Conception Bay South	540,260	607,359	(67,099)	(20.0)
Pentecostal Assemblies	1,342,178	1,417,098	(74,920)	(10.9)
Bay St. George	518,461	573,731	(55,270)	(25.5)
Burin Peninsula R.C.	803,566	859,310	(55,744)	(13.4)
Conception Bay Centre	425,024	441,211	(16,187)	(9.5)
Conception Bay North	526,839	567,462	(40,623)	(16.2)
Exploits White-Bay	58,580	65,429	(6,849)	(2.5)
Ferryland	487,334	541,483	(54,149)	(25.4)
Gander-Bon.-Connaigre	320,572	356,191	(35,619)	(13.2)
Humber-St. Barbe	328,055	356,079	(28,024)	(6.6)
Labrador	635,808	666,283	(30,475)	(10.5)
Placentia-St. Mary's	650,086	722,625	(72,539)	(21.2)
Port au Port	581,164	670,635	(89,471)	(24.3)
St. John's	2,114,444	2,418,129	(303,685)	(15.3)
Seventh Day Adventist	110,199	112,810	(2,611)	(8.3)
Total	23,356,236	25,251,338	(1,895,102)	(13.9)

Source: Department of Education

A number of school boards expressed strong concern because they felt the bus system was too inflexible to adequately accommodate students for any educational activities other than transportation to and from school. In its brief to the Task Force, the Terra Nova Integrated School Board identified three other major roles for school busses. They were:

1. Transportation from one school building to another for specific courses such as Music or Science, in order to better utilize costly facilities.

2. Transportation to centres such as law courts and arts and culture centres to enable students to experience, in the real world, what is taught in certain school courses.

3. Transportation to permit students to participate in co-curricular activities such as sports competitions, drama clubs, student councils, and others which are an integral part of school life in Newfoundland today.

Bus services which are contracted out make no provision for additional runs for co-curricular or extra-curricular activities. School board-owned buses may be used for these purposes at a cost determined by the Department of Education. School boards contend that this policy has a drastic effect on school programs and amplifies the inequality of educational opportunities that exists between urban and rural Newfoundland students.

Recommendation 14.3

We recommend that the present pupil transportation policy be broadened to include educational activities not provided for at the present time.

The two large St. John's school boards commented on the fact that no transportation is provided for students who reside within the city, even though many live several miles from school. These students are expected to pay their way by utilizing the public transportation system. The Roman Catholic School Board wrote as follows:

> Any student who lives more than one mile from a school is entitled to bus transportation-except in St. John's. This is clearly discrimination based on geographical location. A taxpayer in St. John's pays municipal taxes which help support Metro Bus, pays school taxes, and generally, since the income is higher, pays higher income tax. Yet in order to get their children to school, they must either drive them or pay the bus fare. All of the above items can be translated to dollars and are clearly discriminating against students in St. John's.

While the Task Force appreciates the views expressed by the two St. John's boards, the matter is a very complex one, involving the St. John's Transportation Commission, and it may be more political in nature than educational. For this reason we prefer not to make a specific recommendation, other than to suggest that the issue be reconsidered by the Provincial Government.

There appears to be growing concern in some quarters about the escalating costs of transporting special or handicapped students. They are bussed outside the regular bus system at a cost of nearly $2,000,000 per year. If the educational policy of the Department of Education is to integrate handicapped students into the main stream of every day school activity, including regular classes, it follows they should also be integrated on buses wherever it is physically possible to do so.

Recommendation 14.4

We recommend that handicapped students be integrated into the regular bus system wherever it can be done.

There is one further observation to be made on pupil transportation. If the Department of Education assumes full responsibility for funding pupil transportation, proper controls will have to be put in place to ensure that the system operates efficiently. This might be done through some form of a provincial monitoring mechanism. That mechanism would be responsible for seeing that bus routes are planned properly, that unnecessary duplication is avoided, that provincial guidelines are followed, and costs are kept at a reasonable level.

Recommendation 14.5

We recommend that a provincial mechanism be established to monitor the efficiency and effectiveness of all pupil transportation systems in each district of the Province.

Distance Education

On a number of occasions in this Report, we have emphasized the need to develop more creative methods of program delivery if we are to make certain courses accessible to students in isolated communities of this Province. One of the ways this can be done is through the use of modern technology.

In September, 1988, the Department of Education instituted a pilot project in distance education by utilizing the services of the Telemedicine Teleconference Network. Thirteen small schools in rural communities were selected for the pilot in Advanced Mathematics 1201--two subsequently dropped out. A teacher located in Gander has simultaneous contact with the 35 students in the eleven schools through a variety of technology including computers, Telewriter II peripherals, audio teleconference kits, and facsimile machines. All students participate in a one-hour conference once a week, and smaller numbers are brought together for an additional 45 minute sessions at other times

so as to provide all students with at least two days of interaction with the teacher in Gander.

Now that some of the inevitable start-up problems have been resolved, reports from the schools and teachers indicate a high level of enthusiasm and support for the project. Early test results are also encouraging. The level of success experienced thus far has convinced the Department of Education of the potential of this approach to instruction in broadening educational opportunities for students in small, rural schools. Next year it plans to expand the project to include other course offerings.

The Task Force commends the Department for this initiative and suggests that it continue its efforts in this direction.

Pre-Vocational Programs

In 1970, the Government approved a pilot project which authorized the District Vocational School at Seal Cove to develop pre-vocational courses for a selected number of high school students in the surrounding area. The program was implemented two years later and showed enough promise to encourage Government to authorize its extension to include six other schools in September, 1973. These were new or extended schools which had more space than was needed to serve the adult population at the time. Subsequently 12 of the 17 district vocational schools made pre-vocational courses available to high school students in their catchment zones. By the late seventies over 7,000 students per year were drawn from 49 different high schools.

Through a highly cooperative arrangement between school boards, which were officially responsible for the programming, and district vocational school authorities who employed the instructors and owned the facilities, a wide range of courses was developed and delivered. These courses fell into three different categories; Business Education, Industrial Education, and Home Economics. While they were designed to give students some skill development in practical programs, they had a more fundamental purpose. It

was to expose students to different vocational areas and to give them some understanding of the conceptual framework underlying various courses. This exposure would assist in making career choices at the post secondary level.

The introduction of the Pre-vocational Program was a major development in the diversification of curriculum to better meet the needs of high school students in the Province. And the vocational schools offered a level of service in teaching personnel and facilities which could not be matched by small, less adequately funded high schools. With the reorganization of the senior high school program, more schools were able to offer the courses in their own facilities, but most of the participating schools continued to send students to the vocational schools, where the new courses were offered. However, the creation of community colleges and the decentralization of control to locally based boards of governors may now lead to drastic changes in the system. Increased adult participation in community college programs and more limited funding may force the discontinuation of pre-vocational programs in a number of schools. Already one or two vocational schools have advised school boards that their pre-vocational programs would be phased out in the immediate future. It is widely speculated among school boards that other vocational schools may shortly follow suit.

The implications of this recent development are fairly obvious. School boards will have to accommodate these displaced students in Industrial and Business Education classes conducted in their own schools. In most cases this will require the construction of shop space, or the renovation of existing space, and the purchase of expensive shop equipment. The cost of doing this may be discouragingly high in small schools where student enrolments are low. The most efficient way to provide those specialized services may be on a regional basis with two or more school boards sharing the same facilities.

In consideration of this matter we wish to support the intent of the recommendation made by the Central Newfoundland Ad Hoc Committee on Pre-vocational Education. Their recommendation was as follows:

That, in the event that pre-vocational programs have to be discontinued at any campus of a community college, five years' notice be given to all school boards affected by such decision. Under no circumstances should less than three years' notice be given.

Chapter 15

THE LOCAL SCHOOL TAX SYSTEM

School taxation has become a very important aspect of educational finance in Newfoundland. There are 21 school tax authorities now operating, and they involve every educational district and, virtually, every community in the Province. In each tax area revenue is collected from a poll tax levied on each wage earner who is liable and a property tax levied on commercial property. There is only one tax area remaining-Central Labrador-where a tax is imposed on residential property. In the school year 1987-88, school boards received a total of $25,500,000 from school tax authorities. This amount represented 5.6 percent of all school board revenue from current account and 32 percent when teachers' salaries and pupil transportation are excluded. It was over 60 percent of what school boards received in government grants. In fact, one or two boards received more money from school tax authorities in recent years than they received from the Provincial Government in basic operating grants.

Current Problems

Earlier in this Report we made reference to some of the difficulties relating to local school taxation in this Province. We now pursue this matter further and discuss the major problems in the administration of local taxation under two headings: The efficiency of the present tax system and tax equity.

Efficiency

There has been a fair amount of criticism levelled at school tax authorities over the years alleging inefficiency and ineffectiveness in the collection and distribution of taxes. Many have charged that collection rates were unreasonably low and administrative costs exorbitantly high. There is no doubt that some of the criticism has been justified but a lot of it might have resulted from misinformation about the tax system and a misunderstanding of the problems inherent in it. Warren and Roebothan commented as

follows in their report to the Association of School Tax Authorities of Newfoundland and Labrador in October, 1987.

> Opponents of the tax system often claim that much of what is collected by authorities is spent on administration of the system. This claim cannot be substantiated. Even though some authorities have collection and enforcement problems, less than 13 percent of total revenues were spent on administration last year. More than half the authorities spent less than 16 percent. Many of the problems of tax collection are inherent in the system itself. The poll tax is difficult to collect and only recently have some authorities been able to make effective use of computers.

While the Task Force has no major complaint with the performance of school tax authorities it believes that the tax system itself needs to be carefully examined. In spite of the progress that has taken place in school taxation in recent years there is still much room for further improvement. Of the 21 tax areas in the province only three have more than 10,000 students in their jurisdiction, and 8 have fewer than 3000. As might be expected these are the areas in which the highest percentage of revenue is spent on administration. The efficiency of some of these is somewhat impaired because they do not have the advantage of technology and modern day business practices. Furthermore, the multiplicity of tax authorities with their different policies and practices tend to cause some confusion, especially for taxpayers who move from one area to another. The tax authorities have been attempting to remedy this by developing policies for province-wide application. However, as long as the Province has 21 school tax authorities, most of them small, the potential for these kinds of problems will remain.

Tax Equity

We have already pointed out that one of the most difficult problems with school taxation is the variation in revenue, from one educational district to another. While some of the variation may be attributed to differences in tax levies and collection rates, most of it is obviously caused by economic factors. Table 15-1 shows the amounts of funds received by each school board from school tax authorities in 1987-88.

Table 15-1

School Tax and Revenue By School Board 1987-88

School Board	Enrolment	Local Tax Revenue	Per Pupil Amount
Vinland	1,756	$306,731	$175
Strait of Belle Isle	2,106	335,496	159
Deer Lake	2,562	321,994	126
Green Bay	3,216	343,151	107
Exploits Valley	4,337	852,486	197
Notre Dame	3,173	347,376	109
Terra Nova	6,677	1,103,806	165
Cape Freels	1,500	250,457	167
Bon.-Tri.-Pla.	6,489	1,082,398	167
Avalon North	9,138	1,026,264	112
Avalon Consolidated	11,686	3,663,884	314
Burin Peninsula Int	3,565	543,000	152
Bay d'Espoir-Her.-F. Bay	1,879	193,889	103
Port aux Basques	2,604	370,000	142
Bay of Islands-St. Georges/B/R	6,746	1,259,385	187
St. Barbe South	1,684	239,376	142
Labrador East	2,236	393,812	176
Labrador West	2,038	431,661	212
Conception Bay South	3,359	456,400	136
Pentecostal Assemblies	6,903	1,069,019	155
Bay St. George	2,171	178,111	82
Burin Peninsula R.C.	4,170	612,000	147
Conception Bay Centre	1,708	191,132	112
Conception Bay North	2,511	283,485	113
Exploits White-Bay	2,754	467,010	170
Ferryland	2,135	375,000	176
Gander-Bon.-Connaigre	2,706	395,394	146
Humber-St. Barbe	4,224	853,133	202
Labrador	2,916	492,188	169
Placentia-St. Mary's	3,422	448,675	131
Port au Port	3,677	612,913	167
St. John's	19,866	5,847,752	294
Seventh Day Adventist	314	76,460	244
Total	136,228	25,423,838	187

Source: Department of Education

It can be seen that the per pupil amount varied from $82 in the district with the lowest income to $314 in the district with the highest. When it is realized that school tax revenue represents one third of school boards discretionary operating funds (all current revenue except teachers' salary and pupil transportation grants), these variations become very significant. In an attempt to correct these inequalities, the Department of Education took remedial action in 1986 by introducing an equalization plan. The ultimate objective

was to bring tax revenues in each district up to the level of the revenue in the district with the highest tax yield, based on uniform tax rates for the Province. However, there were insufficient funds to equalize fully, so the amounts granted were pro rated to school boards. The formula and method of calculation for 1988-89, as outlined in a memorandum to school boards from the Department of Education, is given below:

> The School Tax Equalization Grant is based on the relative tax potential of School Tax Districts. Identification of tax potential and resulting adjustments payable to School Boards is based on:-
>
> (i) Identification of the poll tax per pupil available for distribution to School Boards from each School Tax District assuming a poll tax rate of $100.
>
> (ii) Identification of the commercial property tax per pupil available for distribution to School Boards by each School Tax District assuming a commercial property tax rate of 4 mils.
>
> (iii) The sum of (i) and (ii) equals the per pupil tax potential for each School Tax District based on stated assumptions.
>
> Equalization payments are based on multiplying the difference between the per pupil tax potential of the School Tax District and the per pupil amount of the District with the highest tax potential by the enrolment of each School Board in the School Tax District, prorating the resulting amounts to limit the total of all equalization payments to $4.5 million. (Memorandum, 1988)

It would have taken $14,200,000 to fully equalize school tax revenue in 1987-88, but only $4,345,162 was made available by government. The effect of this grant on school board revenue, when distributed in accordance with the formula, are shown in Table 15-2.

Options and Proposals

The most obvious solutions to the problems raised in this Chapter lie in the restructuring of school tax authorities and the equalization of school tax revenue. We discuss them below and offer specific recommendations.

Table 15-2

School Tax Equalization By School Board
1987-88

School Board	Enrolment	Local Tax Revenue	Equalization	Total	Total Per Pupil
Vinland	1,756	$306,731	$72,400	$379,131	$216
Strait of Belle Isle	2,106	335,496	83,700	419,196	199
Deer Lake	2,562	321,994	147,087	469,081	183
Green Bay	3,216	343,151	190,775	533,926	166
Exploits Valley	4,337	852,486	180,950	1,033,436	238
Notre Dame	3,173	347,376	165,038	512,414	161
Terra Nova	6,677	1,103,806	293,182	1,396,988	209
Cape Freels	1,500	250,457	53,507	303,964	203
Bon.-Tri.-Pla.	6,489	1,082,398	260,838	1,343,236	207
Avalon North	9,138	1,026,264	430,000	1,456,264	159
Avalon Consolidated	11,686	3,663,884		3,663,884	314
Burin Peninsula Int.	3,565	543,000	161,187	704,187	198
Bay d'Espoir-Her.-F. Bay	1,879	193,889	101,987	295,876	157
Port aux Basques	2,604	370,000	95,134	465,134	179
Bay of Islands-St. Georges/B/R	6,746	1,259,385	184,371	1,443,756	214
St. Barbe South	1,684	239,376	55,100	294,476	175
Labrador East	2,236	393,812		393,812	176
Labrador West	2,038	431,661	65,478	497,139	244
Conception Bay South	3,359	456,400	165,507	621,907	185
Pentecostal Assemblies	6,903	1,069,019	312,615	1,381,634	200
Bay St. George	2,171	178,111	126,000	304,111	140
Burin Peninsula R.C.	4,170	612,000	191,956	803,956	193
Conception Bay Centre	1,708	191,132	78,760	269,892	158
Conception Bay North	2,511	283,485	118,974	402,459	160
Exploits White-Bay	2,754	467,010	130,012	597,022	217
Ferryland	2,135	375,000	38,396	413,396	194
Gander-Bon.-Connaigre	2,706	395,394	135,516	530,910	196
Humber-St. Barbe	4,224	853,133	129,433	982,566	233
Labrador	2,916	492,188	90,357	582,545	200
Placentia-St. Mary's	3,422	448,675	116,437	565,112	165
Port au Port	3,677	612,913	150,061	762,974	207
St. John's	19,866	5,847,752	15,540	5,863,292	295
Seventh Day Adventist	314	76,460	4,864	81,324	259
Total	136,228	25,423,838	4,345,162	29,769,000	219

Source: Department of Education

Restructuring Tax Authorities

It is general consensus around the Province that some form of restructuring is necessary if any significant progress is to be made in making the school tax system more effective. Advocates of tax reform argue for a variety of different approaches, but their views can be summarized as follows:

1. The collection of all school taxes by the Province or a central agency by using either present sources of taxation or by using others such as the income tax.

2. The collection and distribution of commercial taxes by the Province or a central agency and the collection of poll taxes or residential property taxes by local or regional authorities.

3. Consolidation of existing School Tax Authorities into regional administrative units.

It is not our intention to enter into a detailed analysis of the weaknesses and strengths of each approach (The arguments for and against pooling non-residential taxes are discussed in Chapter 3.) A detailed description of the alternatives to the present local school tax system is provided by Warren (1986). Each approach has its advantages and disadvantages, and each should be effective in raising additional educational funds. The most convincing argument for a provincial system for all school taxes or for the tax on commercial property is that it would result in greater equalization of tax revenues among school boards, but this can be achieved in other ways. The principle of equalization can be built into the regular grant system regardless of how big or small school tax areas are. Since this is the case, the Task Force prefers a more decentralized approach because we believe in the principle of shared responsibility for education and strongly support the concept of fiscal autonomy for school boards. Furthermore we feel that many of the problems now experienced in the school tax system could be eliminated if tax authorities were consolidated into half the present number, or fewer.

Recommendation 15.1

We recommend that the Government initiate plans to consolidate the 21 existing School Tax Authorities into larger regional units.

Tax Equalization

It is obvious to the Task Force that all school boards in the Province and, indeed, all major groups involved in education, support the principle of school tax equalization and they feel it should be implemented as soon as possible. The Minister of Education suggested in the House of Assembly in April, 1988 that full tax equalization would take place within five years. Many school boards have said they cannot wait that long.

The Task Force agrees that full tax equalization should be implemented but prefers a different administrative approach than the one now in force. We have already recommended that a level of funding, necessary to deliver quality educational programs and services, be determined for each school board under five general headings: administration, instruction, operation and maintenance, special services, and geographical isolation. However, we do not suggest that these levels be funded entirely from Government grants, unless school taxation is discontinued. Our proposal is that the Department calculate the potential tax revenue in each school district and deduct these amounts from the levels determined to be necessary. The difference would be the province's share of the cost of school board operations, excluding teachers' salaries, and pupil transportation. Each school board would be required, through its tax authority or authorities, to raise the assessed amount, which would vary from district to district, in accordance with its ability to pay.

Recommendation 15.2

We recommend that the principle of tax equalization be implemented by requiring each school board to raise, through the local tax system, a predetermined amount based on uniform tax rates and equalized assessments, with the Province providing the balance of funds required to maintain a quality education program.

There is another important point to be made on the matter of local school taxes. We have recommended that each educational district be required to raise a specific amount through local taxes. Our studies indicate that under most school tax systems in Canada and the United States local authorities are permitted to raise funds in excess of the amounts on which equalization is based or the amount required for a basic educational program. We see no logical reason why this provision should not apply in Newfoundland. There may be districts in which the people want additional facilities or services over and above what is considered necessary, and are both willing and able to pay for them. Encouraging such districts to pursue higher levels of excellence might have a positive affect on the expectations of all districts and, consequently, lead to continuous improvement in the educational system.

Recommendation 15.3

We recommend that school boards wishing to exceed the approved government levels of funding be permitted to raise additional revenues by imposing higher tax rates than are required for tax equalization.

This approach to financing school board operations has a number of advantages in addition to its fairness and equity. We think it would be administratively convenient to reduce the approved levels of funding at the beginning of the school year by

the amount that can be raised locally, rather than to distribute various amounts in equalization payments at the end of the year. Furthermore, it might be wise psychologically, to require local authorities to raise a predetermined amount as their share of educational costs. It might also enhance the level of accountability in the system. What is, perhaps, more important, this arrangement would give Government more flexibility in determining the level of funding expected from local sources. Regardless of whether school taxes were raised, lowered, or discontinued completely, there would always be a funding formula in place.

Chapter 16

AN APPROACH TO ACCOUNTABILITY

The concept of accountability was discussed in Chapter 2 as one of the basic principles in educational finance. In this chapter we look at its application in the Newfoundland school system and offer some suggestions for change.

Current Situation

The rising cost of education and the changing social climate have combined to raise some serious questions about education, not only here, but all across North America. Have educational authorities been spending their money wisely? Have the increased expenditures resulted in increased output? Are there ways of achieving better results without pouring more money into the system? Can we really afford to spend more money on education? These and similar questions have stimulated considerable debate in recent years.

Although, as our survey shows, Newfoundland parents still give the schools high marks, the growing debate may signal a deterioration in the traditional confidence citizens have in their schools. As the competition for the dollar increases, the pressure to ensure that the educational dollar is spent wisely will also increase.

The public demand for better quality and increased efficiency in the operation of their schools is increasingly presented in terms of accountability--that the outcomes be related to the input. The public wants to know that it is getting the quality of education it is paying for. And, it is not only the public generally who are concerned about accountability--so are school boards, and the other organizations and groups with responsibility for education. For example, the Burin Integrated School Board wrote as follows:

> While we may scoff at the emphasis placed on accountability in foreign jurisdictions, fiscal accountability must become the watchword in educational

finance if the system is to survive and be effective. The under-funding of education in this province is perhaps best described by "As it was in the beginning, is now, and ever shall be."

The competition among social service institutions for scarce public funds is not likely to lessen. A progressive and vibrant educational system will depend on our getting the biggest bang for the buck available.

Even though we might be somewhat more optimistic than the school board about future levels of funding for education, the thrust of their argument is undisputable. At a time when all departments of government are in competition for very limited funds, educational authorities must use available resources in the most efficient manner possible and, ultimately, must answer to the public for the results obtained.

In education, accountability generally focuses on school boards, which are answerable to both the government and the people who pay school taxes. However, in its meetings around the Province, the Task Force was reminded repeatedly that other agencies, particularly the Department of Education, have a major role to play in promoting accountability in the system. We agree with their view, and in our analysis of the situation we approach the subject from that perspective. The Department of Education is, after all, the agency which is responsible, through the Minister, to the Legislature for the expenditure of provincial revenue for education.

This central role of the Department requires that it monitor the results of the expenditure of funds and report regularly on the status of education to the legislature. To do this it is necessary to monitor two kinds of activity: the expenditure of funds, and the growth of school programs.

Financial Accountability

The Department should ensure that funds for education are spent for the purposes for which they are granted and in accordance with established guidelines or

regulations. This type of action, which was referred to in an earlier chapter as procedural accountability, requires that proper accounting and reporting procedures be followed.

Over the years the Department has developed a sophisticated reporting system which collects and records accurate and comparable data from each school board in the Province. Boards are required to submit this information on forms prescribed by the Department. This procedure provides a source of useful financial information, but it also enables the Department to monitor school board accounting systems, observe expenditure patterns, and ensure that grants are spent for the purposes intended. This data base should be reviewed to ensure it is adequate for the task. The data collected from school board accounts will need to be organized in a fashion reflecting the categories established in the granting regulations.

The data collection system in the Department may require further development to include program costs and cost variations within the province. Program cost data would be valuable to the Department in deciding on the most effective use of funds for program. It would also provide a base for comparisons of the cost effectiveness of various program alternatives. Combined with at least basic data on cost variations it would provide for the review and updating of the grants system.

In short, more advanced accounting and reporting systems may be necessary, programs may have to be better defined, costing techniques established, and computer programs developed if the desired level of accountability is to be reached and maintained.

Recommendation 16.1

We recommend that the data collecting capability of the Department be extended to include the development of a pool of statistical information on funding requirements for basic educational services and the status of existing educational programs and services throughout the province.

Accountability will also require that procedures be established to ensure boards follow regulations. Monitoring by the Department has no purpose if it simply observes variations in expenditure patterns, without the willingness or means to ensure that boards conform to the required patterns.

The Newfoundland and Labrador School Trustees Association supported this point of view when it recommended that any new funding mechanism be accompanied by guidelines and directions to enhance the ability of boards to be fiscally accountable and to ensure that a proper balance between administration and delivery of programs be maintained. Some of these matters have already been addressed in our recommendations on pupil transportation, special needs students, and grants for resource materials.

Recommendation 16.2

We recommend that the Department of Education take steps to ensure that clear directions are provided to boards concerning financial matters and that provincial policies are followed.

The School Trustees' Association recommended that there be provision for ongoing evaluation and monitoring of new approaches to funding in order to fine-tune the allocation process and to ensure that the total amount allocated is increased to keep up with inflation and emerging needs. A number of school boards expressed the same view and the Task Force fully endorses it for two reasons. First, it is impossible to develop a perfect funding formula or one which will remain satisfactory for any considerable period of time. This is necessary to deal with unforeseen difficulties, to correct anomalies which inevitably arise and to make adjustments for changing circumstances. The general formula itself must be subject to continual study and review. Secondly, the amounts specified in any formula have to be adjusted from year to year in the light of inflation and changing priorities. If school boards are to be held accountable it must be for observation of regulations which are the most effective and up-to-date that can be maintained.

Recommendation 16.3

We recommend that the Department establish a formula review committee to conduct periodic assessments of the funding formula and to recommend necessary revisions each year before the education budget is finalized.

In passing there is another point to be made on financial accountability. As we have seen, School Tax Authorities transfer over $25,000,000 each year to school boards for capital and operating purposes. The principle of accountability dictates there should be a close and cooperative working relationship between school boards and tax authorities. Roebothan and Warren noted in their report to the Newfoundland and Labrador School Trustees' Association in 1987 that many boards neglected to give due recognition to School Tax Authorities for the important role they play in education. While there is much recent evidence to suggest that situation is changing, many still feel there is room for further improvement.

Program Accountability

The second activity that needs to be monitored, the development of program, is at least as important as the first. This type of accountability is for the outcome of the expenditure rather then the propriety of the procedures. It is often called consequential accountability.

While financial accountability in school districts may be relatively easy to encourage through proper regulating and reporting procedures, accountability for programming, or consequential accountability, may be much more difficult to achieve. The effectiveness of school programs cannot always be measured in simple quantitative terms even though such measures as retention rates and test results give some indication of success. According to recent Departmental publications, retention rates have improved very significantly in recent years, as have public examination results. However, we sense a feeling that the results of standardized tests at the elementary level suggest room for improvement. The Department of Education is, no doubt, focusing on this problem in conjunction with school boards.

However, the Task Force feels that program accountability should also be approached in another manner. Just as school boards are required to submit an annual report on financial matters each year, they should also be required to submit one on educational programs. Such a report should identify the objectives of the district, describe the programs and courses offered, record academic results, indicate retention patterns, and outline changes or improvements needed in districts. It would therefore focus more on the plans and priorities of the board, than would the superintendent's report required under section 19(p) of *The Schools Act.* By adding such data to their information base, the Department could monitor the development of school programming throughout the Province. The availability of courses of study, libraries and other facilities needed for reasonable equity could be monitored, and the areas of weakness could be identified. This procedure would encourage boards to become more involved in comprehensive, long-term

educational planning, and in a continuous assessment of their own organization and operating effectiveness.

Recommendation 16.4

We recommend that the Department require all school boards to submit an annual, written report on educational developments and future plans for their districts.

The information collected would provide a base for the Department of Education to assume a stronger leadership role in assisting school boards in the evaluation and improvement of their operation. The division of the Department which is responsible to review these reports, preferably the Division of School Services, should develop a program evaluation capability. Over the years a number of attempts have shown the value of external evaluation of school district programs, but the idea has never been fully developed. Small teams of consultants familiar with provincial programs and standards could provide an outside perspective on what districts are doing and what needs to be done. Senior officials from other school districts and members of the Faculty of Education at Memorial University could provide an ample supply of resource people to assist the Department in conducting these evaluations. The task would not be a formidable one since only a limited number of districts need be covered each year.

Recommendation 16.5

We recommend that the Department establish a mechanism to assist school boards in program evaluation and development.

In this context program development must be interpreted to mean the provision and improvement of general programs and services designed to meet provincial standards and to satisfy the diverse educational needs of the district and not the revision of individual courses of study. Curriculum development of that kind is primarily the responsibility of the Department of Education.

Energy Conservation

A discussion on accountability in the educational system should include some reference to energy conservation. In 1987-88 school boards spent a total of $12,500,000 or $92 per pupil on energy alone, which represented about 30 percent of what they received from Government for all school board operations.

In its submission to the Task Force the Department of Mines and Energy reported that four recent energy studies of 131 schools indicate that substantial savings can be achieved at reasonable costs. This can be done by implementing straight forward energy efficiency measures including operation and maintenance improvement, low cost equipment and materials (simple controls--weather stripping) and medium cost building retrofits (adding insulation, improving windows etc.). These studies indicate a saving of from 18.4 percent to 31 percent. By extrapolation they concluded that $1,500,000 per year could be saved with an initial investment of $3,600,000.

The submission further states that a number of school boards have implemented progressive energy management programs but most boards have not yet established systematic programs for achieving energy savings. The two existing grants from the Department of Education do not offer, in their opinion, a solution to high energy costs. Even though the subsidy may be necessary as a temporary measure, it acts as a disincentive to projects that could reduce energy costs permanently. The submission goes on to suggest that consideration be given to discontinuing the present arrangement in favour of a grant to help fund mechanisms for energy retrofits.

The submission suggested that each school board should designate a senior official to be responsible for energy costs. It further suggested that:

> The first task should be the development of a comprehensive energy management plan in cooperation with maintenance staff and representatives from each school. The energy management plan should be dynamic with regular updating and should have the following elements:
>
> - historical record of energy costs including fuel and electricity use for each school.
> - initial assessment and ranking of schools based on building characteristics, school use and energy consumption.
> - identification of low cost operation and maintenance improvements, and implementation schedule,
> - detailed energy audits of schools to identify costs and saving of possible energy efficiency retrofit measures, and implementation schedule,
> - training for maintenance staff involving periodic seminars and an intensive workshop for maintenance directors,
> - on-going tracking of energy consumption and costs after measures implemented.

Apparently many energy saving measures can be undertaken without involving any significant expenditure even though worthwhile measures may require an initial investment which will not be recovered for two years or more. The Department of Education should consider a special grant to assist school boards undertaking major refits. An alternative arrangement might be the use of private sector energy service companies. These firms will implement turn-key energy projects which are paid for from resulting savings. The Energy Branch of the Department offers technical advice for savings finance projects and is developing standard contracts and procedures.

The Task Force makes two recommendations respecting energy conservation.

Recommendation 16.6

We recommend that each school board develop a comprehensive energy management plan and in the process it utilize whatever professional and technical advise the Department of Mines and Energy can provide.

Recommendation 16.7

We recommend that the Department of Education develop a provincial energy conservation policy in consultation with the Department of Mines and Energy, and, if necessary, make provision for special financial assistance to school boards undertaking major retrofit programs.

Interdenominational Sharing

A discussion of accountability in the Newfoundland school system would be incomplete without reference to the duplication caused by two or more denominational school boards operating schools in the same community or area. Opponents of the system, and some who support it, emphasize the enormous cost involved in attempting to provide separate school facilities, sophisticated resource materials, and specialized personnel in sparsely populated areas. This duplication, the argument goes, leads to either inefficiency and wastage or, in many cases, failure to provide the required educational services. Of course, there is another side to the coin. There are those who contend that the inefficiencies of the denominational system have been grossly exaggerated. They point out that duplication of school services has always been limited by demographic patterns in which one denominational group predominates in many non-urban regions of the Province. Perhaps, more important at this time, a great deal of cooperation has taken place among denominational school authorities in recent years. In order to eliminate small, inefficient

schools, joint school services have been established in places like Fogo Island, Pasadena, Glenwood, and a number of other centres. Joint pupil transportation systems have been instituted all over the Province. The sharing of specialized personnel and joint in-service training programs have become fairly common. The Denominational Education Councils cited the following forms of interdenominational cooperation to illustrate what is happening at the present time:

- joint-service schools
- joint pupil transportation system
- joint programming for special education students
- sharing of specialist personnel (e.g. psychologists, speech therapists)
- arrangements which make provision for religious education of students attending schools of another denominational affiliation

There is no doubt the denominational authorities have taken many steps in the last twenty years to reduce inefficiency caused by duplication and to improve the quality of educational services. In spite of the commendable progress made there is still much that can, and may have to be done, not so much in response to the critics of the system as to meet the increasing demands for better services and more specialized programs.

The findings of the opinion poll conducted for the Task Force indicated that the majority of people in the Province support the denominational school system. However, over 70 percent of those responding to the survey felt that there should be more sharing among interdenominational boards, less than one quarter thought school boards are sharing about as much as is necessary at the present time, and only 6 percent disagreed with the concept.

It is not the intention of the Task Force to pursue this matter in detail, but, to illustrate the possibilities, three broad areas are suggested for further cooperation: school board organization, the use of resource centres, and registration in high school programs.

Recent studies on school district reorganization have proposed a number of ways in which school boards can be reorganized on an interdenominational basis without

affecting the integrity of denominational schools or the denominational system. Even without reorganization, greater cooperative efforts between school board offices are possible in such matters as inservice education of teachers, coordination of programs, and, perhaps, administration of schools. The province has not been able to supply to the small school boards of the province sufficient specialized central office staff to support all program areas. Joint operations and shared services at this level may become more important as enrolments continue to decline in the next decade making program support even more difficult.

The second area we identified is the establishment of resource centres. The provision of properly equipped resource centres is becoming increasingly more costly as greater emphasis is placed on professional development, resource based teaching, and the use of technology. These expensive services should not be duplicated unless absolutely necessary. There are many areas in the Province where one facility could serve a number of school boards if appropriate arrangements were worked out.

The third area for further sharing is in the use of high schools that are located within commuting distance of each other. An extract from the submission of the Ganova Branch of the Newfoundland Teachers' Association gives a practical illustration of how this can be done. It reads as follows:

> It is also the view of Ganova that whenever schools are in close proximity of each other that they be viewed as an educational plant and within this context the "cross over" of students should be encouraged whenever programming needs warrant or dictate. By way of illustration, let's look at the two high schools in Gander. These schools are within several hundred yards of each other yet no student is able to take advantage of special courses which one school or the other may be able to offer. If School A, for example, is offering Honours Mathematics or Advanced Writing or Linguistics, students from School B are unable to avail of these courses even though they may be academically oriented to such undertakings. Schools should be encouraged to allow a degree of flexibility which would permit such inter-school sharing of programming resources and personnel.

We might add that this kind of sharing arrangement may be imperative as pre-vocational courses are discontinued in community colleges. As we already noted, expensive facilities for these courses could not be added to every small or medium size high school in the Province.

The Task Force received a number of interesting comments and recommendations regarding interdenominational sharing. We have chosen a quotation from the brief submitted by the Roman Catholic School Board for the Burin Peninsula because it seems to tie it all together. It reads as follows:

> Throughout the Province there is some duplication of services and program delivery. We believe that the Department and the Denominations recognize this and are trying to address the problem. We would recommend therefore that the Denominational Education Committee, the Boards and the Department of Education continue to examine ways in which services and program delivery may be shared such that denominational rights are protected and that there is a more efficient, cost effective delivery system in place.

The actions of the Denominational Education Councils and School Boards in the recent past have demonstrated their desire to cooperate and share educational services where possible. The position of the Councils was confirmed in the submission to the Task Force when they wrote:

> While recognizing the right, indeed the obligation, of the various denominational groups to provide schooling for the members of their respective groups, the Councils also recognize that, under certain circumstances and in certain areas of the Province, it will be necessary to enter into some form of shared or co-operative educational services. We have demonstrated in the past that this is a prudent and positive course of action in the best interests of the education of the children involved.

It is obvious that the people of the Province want more shared services. School boards appear willing to explore different avenues of cooperation, and the Church authorities are willing to support their actions whenever it is in the best educational interest of the children involved. However, if the possibilities of shared services are to be fully exploited and effectively undertaken, the Task Force believes a large measure of leadership

and direction must be exercised by the Councils themselves. With this in mind, the following recommendation is made:

Recommendation 16.8

We recommend that the Denominational Education Councils establish a joint committee system to identify further possibilities for promoting interdenominational cooperation in education, to develop policies and guidelines for the direction of school boards, and to promote and coordinate school board activities in this area.

Chapter 17

SUMMARY AND RECOMMENDATIONS

In accordance with its mandate, the Task Force studied problems associated with the provision of basic educational services and programs throughout the Province. It initiated or conducted a number of research projects, it consulted with various groups and individuals both in the Province and outside, it received and studied over 100 written submissions, and it analyzed detailed school board expenditures for the last two years. This procedure lead to the following conclusions:

1. The cost of providing educational programs varies considerably from one region of the Province to another with the highest cost being in small schools and remote communities.

2. The ability of school boards to fund educational programs also varies considerably depending on the school tax potential of their areas.

3. Nearly all school boards in the Province, to some extent, have inadequate resources to properly implement the basic programs recommended by the Department of Education. This deficiency is due to: (a) a lack of suitable facilities, equipment and materials, and (b) insufficient funds for operational purposes.

The overall result is wide disparity in the level of educational opportunity which varies not only from one region of the province to another but sometimes from one part of an educational district to another.

The manner in which the Task Force proposes that these problems be addressed is summarized below.

A New Grant System

The Task Force believes that if greater equality of educational opportunity is to be achieved and quality programs provided for our children, more money will have to be spent in education and this money will have to be distributed among school boards in a way which promotes greater equity and more equal opportunity to children. We suggest that this be done by dividing the operating budget into four major components and by determining the level of funding required in each. The four major components in our proposed formula are:

1. The administration of central office
2. The delivery of instructional programs
3. The operation and maintenance of school buildings
4. The provision of special education services

Since a grant system based on these four components would not be able to fully address the problems caused by sparsity of population and related geographical factors, the Task Force recommends an additional component for school boards which administer schools more expensive to serve because of their isolation from central office, and for school boards which can only access larger centers by air. When the level of funding is established for these five areas we suggest the tax potential of each district be determined by applying a uniform levy and realistic collection rates. The difference between the determined level of funding necessary and the tax potential would then be met by Government grants.

The proposed formula is stated in summary form in Fig. 17.1. The specific levels of funding suggested are based on historical data with appropriate allowances made for additional needs and improvements as determined by this study. It must be emphasized that, while we consider the amount stated in this formula to be realistic, analysis of them by the Departmental officials may lead to further revisions and refinement. In fact, we suggest that the formula be revised annually to remove any anomalies which are noted, to reflect changing priorities and to keep the amounts up to date. The amounts specified are

Figure 17-1
Proposed Funding Formula

Administration

Office Enrolment	$/50 pupils
1 - 6000	$1,400
> 6000	$1,200

Utilities $/50 pupils
$500

Salaries Enrolment		
1 - 1999	$2,000	per 50 pupils
> 1999	$120,000	Basic or
	$2,000	per 50 pupils

Instructional

Instructional Travel Enrolment	$/50 pupils
1 - 8000	$950
> 8000	$400

Instructional Supplies $/50 pupils
$2,500

School Secretaries $/50 pupils
$2,500

Instructional Resources $/50 pupils
$1,000

Small Schools Instructional Resources $/50 pupils
$500

Instructional Equipment $/50 pupils
$750

Operation & Maintenance

$25.00 per sq. meter
and
$12,000 per 50 pupils

Special Education

$50	per SP ED Pupil
$300	per TMH Pupil
$300	per DC Pupil

Regional

District			Labrador Boards
Road Mileage	$/Km		
		&	
1 - 2000	$25	$75 per Km - Boat	$30 per Km - Island (Plane)
2001 - 4000	$15	$150 per Km - Plane	
> 4000	$5		

for 1989-90; if the formula is not introduced until later, the amounts should be increased by the appropriate cost of living index.

The Task Force does not make any specific recommendations regarding tax equalization levels or the proportion of operational funds to be raised from school taxes. This must obviously be a political decision. However, with modest increases in tax rates and with improved administrative efficiency there could be significant increases in school board revenue from this source.

The full implementation of this proposal would cost approximately $94 million in 1989-90 in Government grants and school taxes. (School boards would receive several million dollars per year in addition to this from cost-shared federal programs, local contributions and other local sources.) This amount would represent an increase of roughly 13 percent in Government grants and school taxes, over the existing arrangement, assuming full tax equalization which has already been approved in principle. It would not include about $1.5 million required to pay the full cost of pupil transportation which we understand has also been approved in principle.

The recommendations related to the proposed funding arrangement are as follows:

Recommendation 7.1

We recommend that in determining the level of funding necessary for school boards to operate quality programs, the Department of Education use four major components-Administrative Costs, Instructional Costs, Operation and Maintenance costs and Special Education costs.

Recommendation 7.2

We recommend that the approved level of funding for office supplies, maintenance, etc. in the administration component for 1989-90 be:

> An amount of $1400 for each unit of 50 pupils or fraction thereof in the first 6000 enroled, and $1200 for each unit in the enrolment in excess of 6000.

Recommendation 7.3

We recommend that the approved level of funding for utilities maintenance, etc. in the administration component for 1989-90 be:

> An amount of $500 for each unit of 50 pupils or fraction thereof enroled in the district.

Recommendation 7.4

We recommend that the approved level of funding for salaries and benefits in the administration component for 1989-90 be:

> An amount of $120,000 or $2,000 for each unit of 50 pupils or fraction thereof enroled, whichever is greater, for all school boards having enrolments of 2,000 or more, and an amount of $2,000 for each unit of 50 pupils enroled for all other boards.

Recommendation 8.1

We recommend that the approved level of funding for travel in the instructional component for 1989-90 be:

> An amount of $950 for each unit of 50 pupils or fraction thereof for school boards with fewer than 8000 pupils and an amount of $400 per unit for school boards with enrolments in excess of 8000.

Recommendation 8.2

We recommend that the approved level of funding for general supplies in the instructional component for 1989-90 be:

> An amount of $2500 for each unit of 50 pupils or fraction thereof enroled in the school district.

Recommendation 8.3

We recommend that the approved level of funding for equipment in the instructional component for 1989-90 be:

> An amount of $750 for each unit of 50 pupils or fraction thereof enroled in the district.

Recommendation 8.4

We recommend that the approved level of funding for school secretaries in the instructional component be:

> An amount of $2500 for each unit of 50 pupils or fraction thereof enroled in the district.

Recommendation 9.6

We recommend that the approved level of funding for resource materials in the instructional component for 1989-90 be:

(a) An amount of $1,000 for each unit of 50 pupils or fraction thereof enroled in the district.

(b) An additional amount of $500 for each unit of 50 pupils or fraction thereof enroled in small schools in the district.

Recommendation 9.7

We recommend that the grants made available for resource materials be categorical.

Recommendation 10.1

We recommend that an amount of $50 per pupil be approved for all students identified as mildly handicapped, and

Recommendation 10.2

We recommend that an amount of $300 per pupil be approved for students with more severe learning handicaps.

Recommendation 10.3

We recommend that the Department of Education institute a program of training and certification for Teacher Aides.

Recommendation 10.4

We recommend that the Department of Education adopt a policy of block funding to school boards to look after the appointment of Teacher Aides and other support staff.

Recommendation 11.1

We recommend that the approved level of funding for the operation and maintenance component for 1989-90 be:

(a) An amount of $25 per square meter of approved space.

(b) An amount of $12,000 for each unit of 50 pupils enroled in the district.

Recommendation 11.2

We recommend that the Department of Education establish a set of guidelines , including possible weightings for different classes of buildings, to be applied when administering the square meter portion of this formula.

Recommendation 12.1

We recommend that for remote schools the approved levels of funding based on the total number of kilometres between the school board office and each school in the district, for 1989-90 be:

(a) $25 per km for the first 2000 kms by road
$15 per km for the next 2000 kms, and
$5 per km for kms in excess of 4000.

(b) $75 per km for the total kms by boat; and

(c) $150 per km for the total kms by airplane

Recommendation 12.2

We recommend that additional funding be approved as follows for 1989-90 for school boards whose central offices are located in Labrador:

$30 per km for the number of kilometres between the central office and Deer Lake Airport.

Recommendation 14.1

We recommend that the Bursary Program be continued and that the amount of each bursary be increased in 1989-90 to $2,500 per annum.

Recommendation 14.2

We recommend that the Department of Education assume responsibility for 100 percent funding for all approved pupil transportation in the Province.

Recommendation 14.3

We recommend that the present pupil transportation policy be broadened to include educational activities not provided for at the present time.

Recommendation 14.4

We recommend that handicapped students be integrated into the regular bus system wherever it can be done.

Recommendation 15.2

We recommend that the principle of tax equalization be implemented by requiring each school board to raise, through the local tax system, a predetermined amount based on uniform tax rates and equalized assessments, with the Province providing the balance of funds required to maintain a quality education program.

Recommendation 15.3

We recommend that school boards wishing to exceed the approved government levels of funding be permitted to raise additional revenues by imposing higher tax rates than are required for tax equalization.

Facilities, Equipment and Resource Materials

School boards cannot deliver basic education programs of high quality without suitable school buildings, properly equipped with laboratories, work shops, libraries and other ancillary facilities. The evidence available to the Task Force suggests that many boards do not have the physical facilities and resource materials necessary to offer some of the sciences, industrial education and a number of other courses. Very often when these courses are provided the quality of programming is inferior because of inadequate facilities. The evidence also suggests that many of the older schools in the province are not accessible to handicapped students, making it difficult for school boards to provide necessary educational services for such people.

There is another problem associated with the provision of school facilities. More than one third of the school boards in the province have heavy capital debts. These debts are serviced from school tax revenue and government grants leaving insufficient funds for program implementation and development.

The Task Force makes a number of recommendations on capital related matters and the provision of resources for the implementation of basic programs. The recommendations are:

Recommendation 9.1

We recommend that section 12 (e) of *The Schools Act* be amended by deleting the phrase "wherever possible". This change will require school boards to maintain libraries in all schools.

Recommendation 9.2

We recommend that the Department of Education establish a minimum core collection of instructional materials and equipment for various types and sizes of new schools and initiate immediately a system of outright grants to new schools for the acquisition of these start-up collections.

Recommendation 9.3

We recommend that the Department of Education undertake an assessment of existing instructional resources and equipment in all schools of the Province and initiate a system of outright catch-up grants to these schools to bring them up to minimum standards over a period of five years.

Recommendation 9.4

We recommend that the Department of Education review the minimum resource standards contained in the *School Planning Manual,* 1984 edition.

Recommendation 9.5

We recommend that all school boards develop a three year plan for the enhancement of resource materials in all their schools, such a plan to be reviewed with appropriate officials of the Department of Education.

Recommendation 9.8

We recommend that the Department cost and make funds available to school boards to help establish district or co-operative regional resource centres to supplement the services and collections of school resource centres, such centres to be funded independently of school based centres.

Recommendation 9.9

We recommend that the Department of Education take immediate steps to recommend a user friendly cataloguing program suitable for school libraries.

Recommendation 9.10

We recommend that the provision of computers in the school resource centre be included in the initial furnishing of all new facilities to replace the card catalogue.

Recommendation 9.11

We recommend that a feasibility study of library automation for the Province be undertaken by the Department of Education.

Recommendation 9.12

We recommend that all school boards have access to the services of a qualified co-ordinator of library/media programs.

Recommendation 13.1

We recommend that Government make the necessary financial and administrative arrangements with the Denominational Educational Councils to retire, over the next five years, all long-term capital debts accumulated by school boards.

Recommendation 13.2

We recommend that Government authorities enter into discussions with the Denominational Educational Councils and take appropriate steps to ensure that no further capital debts are incurred unless it can be established that none of the funds approved for operating purposes will be used for debt retirement.

Recommendation 13.3

We recommend that Government significantly increase the funds it makes available to the Denominational Educational Councils for new school construction.

Recommendation 13.4

We recommend that Government make available to the Denominational Educational Councils a special grant to assist school boards in upgrading their facilities: (1) to conform with present building codes, (2) to meet minimum requirements for curriculum improvement, and (3) to make them accessible for handicapped people.

Recommendation 13.5

We recommend that the Provincial Government and the Denominational Educational Councils undertake a comprehensive assessment of all school buildings in the Province to determine what improvements are necessary to bring them up to an acceptable level by present day standards.

Accountability

A surprising number of written and oral submissions emphasized the importance of efficiency and accountability in the education system. They contended that one of the major ways to improve the quality of educational services is to attain greater value for the limited resources available in this province. The Task Force includes the following recommendations designed to achieve that purpose:

Recommendation 14.5

We recommend that a provincial mechanism be established to monitor the efficiency and effectiveness of all pupil transportation systems in each district of the Province.

Recommendation 15.1

We recommend that the Government initiate plans to consolidate the 21 existing School Tax Authorities into larger regional units.

Recommendation 16.1

We recommend that the data collecting capability of the Department be extended to include the development of a pool of statistical information on funding requirements for basic educational services and the status of existing educational programs and services throughout the province.

Recommendation 16.2

We recommend that the Department of Education take steps to ensure that clear directions are provided to boards concerning financial matters and that provincial policies are followed.

Recommendation 16.3

We recommend that the Department establish a formula review committee to conduct periodic assessments of the funding formula and to recommend necessary revisions each year before the education budget is finalized.

Recommendation 16.4

We recommend that the Department require all school boards to submit an annual, written report on educational developments and future plans for their districts.

Recommendation 16.5

We recommend that the Department establish a mechanism to assist school boards in program evaluation and development.

Recommendation 16.6

We recommend that each school board develop a comprehensive energy management plan and in the process it utilize whatever professional and technical advise the Department of Mines and Energy can provide.

Recommendation 16.7

We recommend that the Department of Education develop a provincial energy conservation policy in consultation with the Department of Mines and Energy, and, if necessary, make provision for special financial assistance to school boards undertaking major retrofit programs.

Recommendation 16.8

We recommend that the Denominational Education Councils establish a joint committee system to identify further possibilities for promoting interdenominational cooperation in education, to develop policies and guidelines for the direction of school boards, and to promote and coordinate school board activities in this area.

Conclusion

In finalizing the recommendations of this Report the Task Force was fully aware of the limited financial resources of the Province. Consequently, the cost implications of some of the recommendations are more modest than they would otherwise be. We have recommended what we think is reasonable under the circumstances rather than what is desirable. Moreover, a number of recommendations, especially those dealing with capital related matters, are intended to be implemented over a period of time, to ease the financial burden on the Province.

However, the proposed funding formula, which represents a different approach to funding school board operations, should be introduced in one phase. The four major components of the formula, a special component to compensate for geographical factors, and the different procedure for tax equalization, are all integral parts of the overall formula. Each is essential for successful implementation. It should be emphasized, however, that the dollar amounts stated in the formula can be changed significantly without damaging the formula itself. The amounts could be higher or lower but care should be taken to ensure that no school board receives less than under the present arrangement.

In this Report the Task Force has addressed some of the major problems faced by school boards in their efforts to provide basic educational services to their

students. We have made recommendations designed to inject more funds into the educational system, to promote a more equitable distribution of these funds, and to ensure greater accountability and efficiency in their expenditure. We hope that the Report, and the recommendations contained in it will assist the Department of Education as it meets the educational challenges of a new decade.

SELECTED REFERENCES

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APPENDICES

APPENDIX A

List of Consultations

Newfoundland Teachers' Association
Denominational Education Councils
Newfoundland and Labrador School Trustees' Association
Newfoundland and Labrador Federation of Home and School Parent-Teacher Associations
Representatives from school boards in regional meetings
Special Education Coordinator, Avalon North School Board
Assistant Superintendent (Special Services), St. John's R.C. School Board
Assistant Superintendent (Special Services), Avalon Consolidated Integrated School Board
Executive Director, Newfoundland Coordinating Council on Deafness
Principal and Staff, St. John's Elementary, Whitbourne
Manitoba Teachers' Society
Manitoba Association of School Trustees
Dean of Education, University of Manitoba
Deputy Minister of Education, Manitoba
Finance Officials, Department of Education, Edmonton
Alberta School Trustees Association
Alberta Catholic School Trustees Association
Alberta Teachers' Association
Members of the Department of Educational Administration, University of Alberta
Nova Scotia School Boards Association
Deputy Minister, Department of Education, Nova Scotia
New Brunswick School Trustees' Association
New Brunswick Teachers' Association
Senior Officials, Department of Education, New Brunswick
Dr. W. Brown, Canadian Teachers' Federation
Dr. Glenn Nicholls, Retired Deputy Minister, Manitoba
Dr. S.B. Lawton, O.I.S.E.

APPENDIX B

List of Submissions

File No.

85. Advisory Council on Status of Women, St. John's

79. Appalachia Branch, Newfoundland Teachers' Association

30. Association of School Business Managers of Newfoundland and Labrador, Deer Lake

26. Association of Executive Secretaries of School Tax Authorities of Newfoundland and Labrador, Grand Falls

90. Avalon North Integrated School Board, Bay Roberts

57. Baie Verte Peninsula Branch, Newfoundland Teachers' Association

51. Banfield, W.C., Program Coordinator, Deer Lake Integrated School Board

29. Bay St. George R.C. School Board, Stephenville Crossing

94. Bay of Islands-St. Georges/Burgeo/Ramea Integrated School Board, Corner Brook

19. Bay D'Espoir, Hermitage, Fortune Bay Integrated School Board, English Harbour West

92. Bay De Verde Branch, Newfoundland Teachers' Association

15. Bell Island Branch Newfoundland Teachers' Association

100. Belle Mer Branch and Mount St. Margaret Branch Newfoundland Teacher's Association

24. Bonavista-Trinity-Placentia Integrated School Board, Clarenville

49. Bonnell, Reg, Newfoundland Teachers' Association

101. Braine, Linda B., Coordinator Library Media Services, Avalon North Integrated School Board, Bay Roberts

61. BREMCO Branch, Newfoundland Teachers' Association

66. Burin Peninsula Integrated School Board, Salt Pond

65. Burin Peninsula R.C. School Board, Marystown

55. Cape Freels Integrated School Board, Badgers Quay

102. Casey, Joan, Social Studies Consultant, Department of Education

87. Coastal Labrador Branch Newfoundland Teachers' Association

97. Coish, Emerson, Newfoundland Association for Community Living, Labrador City

63. Conception Bay Centre R.C. School Board, Avondale

22. Conception Bay South Integrated School Board, Manuels

86. Conception Bay North R.C. School Board, Carbonear

81. Coordinators Special Interest Council, Newfoundland Teachers' Association

52. Cull, James, Coordinator of Library Services, Pentecostal Assemblies School Board, Windsor

17. Deer Lake Integrated School Board in Cooperation with St. Barbe South Integrated School Board, Deer Lake

98. Denominational Education Councils, St. John's

7.A Dutton, P. Coordinator Special Interest Council, Newfoundland Teachers' Association

104. Department of Mines and Energy, St. John's

46. Educational Media Council, Newfoundland Teachers' Association

58. Executive of Fogo Island Branch, Newfoundland Teachers' Association

16. Exploits Valley Integrated School Board, Grand Falls

47. Exploits-White Bay R.C. School Board, Grand Falls

62. Ferryland R.C. School Board, Mobile

48. Gander-Bonavista-Connaigre School Board, Gander

60. Ganova Branch, Newfoundland Teachers' Association

72. Green Bay Integrated School Board, Springdale

9. Harris, Carol, Music Consultant, Department of Education, St. John's

54. Harton Branch, Newfoundland Teachers' Association

23. Hicks, Mary and Gough, Helena, St. John's

13. House, W. Gary, Gander Academy

20. Humber Branch, Newfoundland Teachers' Association

67. Humber-St. Barbe R.C. School Board, Corner Brook

41. Ignornachoix Branch, Newfoundland Teachers' Association

89. Industrial Education Council, Newfoundland Teachers' Association

88. Kearley, Lloyd, Principal, Jackson's Arm School

31. Labrador West Branch, Newfoundland Teachers' Association

7. Labrador North Branch, Newfoundland Teachers' Association

56. Labrador West Integrated School Board, Labrador City

59. Labrador East Integrated School Board, Goose Bay

45. Lane, Winston, Coordinator, Learning Resources, Bonavista-Trinity-Placentia School Board, Clarenville

40. Lemoine, Beverley, MacDonald Drive Elementary School, St. John's

70. Library Services Committee, Terra Nova Integrated School Board, Gander

95 Marshall, Scott, Industrial Education Consultant, Department of Education St. John's

68. McKim, William A., Memorial University of Newfoundland, St. John's

8. Modern Languages Council, Newfoundland Teachers' Association

42. Moore, Heather, Art Consultant, Department of Education, St. John's

77. Newfoundland and Labrador School Tax Authority, Marystown

73. Newfoundland Teachers' Association, St. John's

75. Newfoundland and Labrador Association for Gifted Children, St. John's

21. Newfoundland and Labrador School Trustees' Association, St. John's

64. Newfoundland and Labrador Association of Superintendents of Education, Clarenville

53. Notre Dame Branch, Newfoundland Teachers' Association

71. Notre Dame Branch, Newfoundland Teachers' Association

27. Notre Dame Integrated School Board, Lewisporte

83. Orr, James C., Professor of Biochemistry, Memorial University of Newfoundland

14. Parsons, Wade, Learning Resources, Bay of Islands-St. Georges/Burgeo/Ramea Integrated School Board, Corner Brook

74. Pasadena Home and School Association

36. Pennell, Victoria, Coordinator, Learning Resources, Avalon Consolidated School Board, St. John's

4. Pentecostal Assemblies Board of Education, Windsor

93. Placentia-St. Mary's R.C. School Board, Placentia

103. Ponder, Dr. Art, Memorial University of Newfoundland

80. Port Au Port R.C. School Board, Stephenville

6. Port Aux Basques Integrated School Board

78. Provincial Council of Special Services, Newfoundland Teachers' Association

32. R.T. Harvey Home and School Association, Baie Verte

1. Report of an Ad Hoc Committee on Pre Vocational Education-Central Newfoundland

82. Rideout, David, Pentecostal School, Deer Lake

34. Rumbolt, Ross, Vinland Integrated School Board, St. Anthony

76. Science Council, Newfoundland Teachers' Association

11. Seagaulher Branch, Newfoundland Teachers' Association

12. Strickland, Wayne, Port Aux Basques

25. Seventh Day Adventist School Board, St. John's

28. Smeardon, Gerald, New Brunswick Department of Education, Frederickton

10. Special Interest Council, Drama, Newfoundland Teachers' Association

50. St. Kevin's Elementary School, Goulds

99. St. John's Roman Catholic School Board

5. Staff, Long Island Academy, Beaumont

96. Straits of Belle Isle Integrated School Board, Flowers Cove

91. Students, Education 6450, Memorial University of Newfoundland

2. Students, Education L6440, Memorial University of Newfoundland

35. Table Mountain Branch, Newfoundland Teachers' Association

44. Terra Nova Integrated School Board, Gander

69. The Art Council, Newfoundland Teachers' Association

43. The Avalon Consolidated School Board, St. John's

38. The Roman Catholic School Board for Labrador Commission Scolaire Catholique Romaine Du Labrador Kanakatupapak Newu Eski-Tshiskutamashunanuned Nte Labrador, Wabush

37. Trinity-Deadman's Bay Branch, Newfoundland Teachers' Association

33. Twillingate Branch, Newfoundland Teachers' Association

84. Vinland Integrated School Board, St. Anthony

18. Winzer, Dr. M.A.,Faculty of Education, University of Lethbridge

3. Wood, Fred, *et al*, "Focusing on Educational Finance", Memorial University of Newfoundland

39. Wortman, Deborah E.F., Cheeseman, Marina and Group, St. John's

APPENDIX C

List of Hearings

Clarenville, Feb. 6	Bonavista-Trinity-Placentia Integrated School Board Association of School Tax Authorities of Newfoundland and Labrador Burin Integrated School Board Mr. Winston Lane
Gander, Feb. 7 and 8	Cape Freels Integrated School Board Gander-Bonavista-Connaigre R.C. School Board Education Media Council (NTA) Newfoundland and Labrador School Trustees' Association Notre Dame Integrated School Board Terra Nova Integrated School Board Ganova Branch (NTA)
Grand Falls, Feb. 9 and 10	Exploit's Valley Integrated School Board Green Bay Integrated School Board Exploits-White Bay R.C. School Board Notre Dame Branch (NTA) Association of Executive Secretaries of School Tax Authorities of Newfoundland and Labrador
Deer Lake, Feb. 13	Deer Lake Integrated School Board and St. Barbe South Integrated School Board Parent Teacher Association, Pasadena Association of School Business Managers of Newfoundland and Labrador Coordinator, Special Interest Council (NTA)
Corner Brook, Feb. 14	Humber Branch (NTA) Humber-St. Barbe R.C. School Board
Stephenville, Feb. 15	Bay St. George R.C. School Board Port Au Port R.C. School Board Appalachia Branch (NTA) Provincial Council of Special Services (NTA)

St. John's, Feb. 20-23 and Mar. 7	Avalon Consolidated School Board Newfoundland Teacher's Association Conception Bay South Integrated School Board Seventh Day Adventist School Board Ferryland R.C. School Board Dr. William A. McKim Beverley LeMoine Deborah Wortman and Others Newfoundland and Labrador Association of Superintendents of Education Industrial Education Council (NTA) Education 6450 Class (MUN) Conception Bay Centre R.C. School Board St. John's R.C. School Board Denominational Education Councils Dr. Art Ponder
Bay Roberts, Feb. 24	Conception Bay North R.C. School Board Avalon North Integrated School Board Placentia-St. Mary's R.C. School Board
St. Anthony, Feb. 27 and 28	Straits of Belle Isle Integrated School Board Vinland Integrated School Board Table Mountain Branch (NTA)
Goose Bay, March 1	Labrador East Integrated School Board Labrador North Branch (NTA) P. Dutton, Coordinators' Special Interest Council (NTA)
Wabush, March 2	Labrador West Integrated School Board Labrador R.C. School Board Labrador West Branch (NTA) Newfoundland Association for Community Living

APPENDIX D

Research Studies and Background Papers

Selected School Board Costs	G. Whey
School Programs and Resources	Dr. F. Riggs
Where are We Aiming?	Dr. C.K. Brown
Interdenominational Sharing	Task Force Staff
Opinion Poll (In conjunction with Task Force on Math and Science)	Research Associates Ltd.
School Based Funding	Task Force Staff
Role of Technology in Education: Present and Future	Division of Learning, Resources Faculty of Education, (MUN)

APPENDIX E

QUESTIONNAIRE FOR SCHOOL PRINCIPALS CONCERNING SCHOOL-BASED FUND RAISING

1. During the past school year(1987-88), have parents, teachers or students in your school participated in fund raising activities?

Yes 194 No 1

If your answer is **YES**, please complete the remainder of the questionnaire. If your answer is **NO**, please return the questionnaire to the Task Force in the envelope provided.

2. Please estimate the amount of money raised for your school last year (1987-88) from each of the following:

		Amount
A.	Canteen Profits	327,659
B.	Chocolate Bar Sales	157,422
C.	Magazine Sales	27,771
D.	Fruit Sales	28,941
E.	Ticket Sales	114,906
F.	Other Types of Sales (crafts,spices,etc.)	157,781
G.	Bottle Drives	38,506
H.	Various Types of "Thons"	134,173
I.	Concerts (including lip-sync)	114,540
J.	Various Types of Student Fees (please specify)	
	_____	159,930
K.	Parent-Teacher Assoc. Contributions	171,641
L.	Church Donations	42,353

M.	Other Activities (please specify)		
	_____		374,888
	_____		
	_____		
		TOTAL	1,850,511

Note Please combine any of the above if separate data are **NOT** available, and add a comment to explain.

3. Please estimate the amount of money raised locally during 1987-88 that was spent for each of the following purposes:

A.	Photocopier (maintenance and supplies)	227,870
B.	Other Technological Equipment (including A.V. equipmentand computers).	208,567
C.	Sports Equipment	108,169
D.	School Furniture (drapes, desks, etc.)	69,044
E.	Teaching Supplies (paper and teaching aids)	193,934
F.	Library Books	130,223
G.	Field Trips	130,541
H.	Sports Travel	174,253
I.	Travel to music and drama festivals	34,896
J.	Graduation Exercises	225,392
K.	Yearbook	87,155
L.	Other Purposes (please specify)	
	_____	203,400

4. If school-based fund raising were eliminated in your school, list those activities that would suffer greatly or be terminated:

A.	67	B.	70	C.	62	D.	16
E.	62	F.	56	G.	68	H.	82
I.	39	J.	74	K.	27	L.	112

5. How important do you consider these funds for providing the students in your school with a "basic" educational program?

A.	132	Essential
B.	52	Somewhat important
C.	13	Of little importance
D.	4	Of no importance

6. How important do you consider these funds for providing the students in your school with quality co-curricular activities?

A.	155	Essential
B.	37	Somewhat important
C.	5	Of little importance
D.	1	Of no importance

7. To what extent do parents in your community support your fund-raising activities?

A.	168	A great deal
B.	30	Somewhat
C.	4	Very little
D.	0	Not at all

8. To what extent do teachers in your school support your fund-raising activities?

A. 155 A great deal

B. 43 Somewhat

C. 2 Very little

D. 0 Not at all

9. To what extent do students support your fund-raising activities?

A. 154 A great deal

B. 40 Somewhat

C. 3 Very little

D. 2 Not at all

10. To what extent does the business community support your fund-raising activities?

A. 56 A great deal

B. 75 Somewhat

C. 43 Very little

D. 23 Not at all

11. Do you feel that the present level of school-based fund raising is causing a strain on the relationship between your school and the community generally?

A. 104 Yes

B. 96 No

12. Does your school accept donations from businesses in return for advertising? (example: scoreboards or uniforms with names displayed).

A. 67 Yes

B. 127 No

13. Does your school have written policies for student involvement in school-based fund raising(age limits, student safety, kinds of activities for students, etc.)?

A. 33 Yes

B. 166 No

If "yes", please attach a copy.

14. Does your school board insist that accurate accounting procedures be followed?

A. 179 Yes

B. 23 No

15. Does your school board require you to provide an accurate annual statement of revenues and expenditures of monies raised at the school level?

A. 169 Yes

B. 32 No

16. Does your school board place restrictions on the type of activities that may be used for school-based fund raising?

A. 93 Yes

B. 101 No

If "yes", please comment. _____

_____

17. Does your school board specify how funds raised at the school level should be spent?

A. 7 Yes

B. 195 No

If "yes", please comment.

_____

_____

_____

18. Does your school board match or supplement the amounts raised locally for the purchase of specific items?

A. 73 Yes

B. 113 No

If "yes", please comment.

_____

_____

_____

19. Do you expect to increase the amount of money collected this academic year over 1987-88?

A. 73 Yes

B. 125 No

If "yes", by what percentage would you estimate? _____%

20. Please comment on the extent to which school-based fund raising can be used in the future?

A. 125 A great deal

B. 52 Somewhat

C. 9 Very little

D. 3 Not at all

21. How many other schools are there in your immediate community also raising funds through school-based fund raising activities? _____

22. Do you have any additional comments on school-based fund raising in education?

_____

_____

_____

_____

Thank You.